

# 2016-17

annualreport

*An environment for collaboration;  
collaboration for the environment*



The Port Phillip & Westernport CMA works on the lands, waters and seas of the Bunurong, Wadawurrung and Wurundjeri peoples and acknowledges them as Traditional Owners. The PPWCMA pays its respect to their Elders, past and present, as well as other Elders with connections to the region.

This annual report outlines the Port Phillip and Westernport Catchment Management Authority (PPWCMA)'s progress against the performance indicators in its 2016-17 Corporate Plan.

It also includes information about:

- The PPWCMA, its Board and employees;
- Programs and their results;
- The work of partners and their contribution to the region's environmental goals;
- The condition of some of the natural resources in the region;
- Compliance with governance requirements; and
- Financial statements.

An online version of this report is also available at [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au)

### **2016-17 Port Phillip & Westernport CMA Annual Report**

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**Front cover photo:** The PPWCMA celebrates 30 years of Landcare with the Bass Coast and South Gippsland Landcare networks at the Holden Proving Ground in Lang Lang in November 2016. The PPWCMA acknowledges and thanks Holden for providing access to this special site. Image by Warren Reed.

# Contents

The Port Phillip and Western Port Region	2	Engaging Indigenous Communities	24
The Role of the PPWCMA	4	Coordinating the 'Grow West' project	26
2016-17 Highlights	5	Coordinating the 'Living Links' project	28
Chair's Message	6	Coordinating the 'Yarra4Life' project	30
The PPWCMA Board	7	Coordinating the 'Greening the Maribyrnong' project	32
CEO's Message	8	Coordinating the 'Ramsar Protection Program'	34
Organisational Structure	9	Coordinating the 'Valuing Our Volcanic Plains' project	36
Summary of Performance	10	Coordinating the Dandenong Ranges Program	38
Coordinating the Regional Catchment Strategy (RCS)	12	Catchment Condition	40
PPWCMA Project Map	14	Business and Culture	50
Coordinating Government Grants	15	Financial Report	57
Supporting the Landcare Movement	18	Disclosure Index	89
Supporting Sustainable Land Management	20	Acronyms	91
Supporting Sustainable Agriculture	22	Index	92



PPWCMA Board Chair Neville Goodwin, Wurundjeri Elders Aunty Alice Kolasa, Aunty Doreen Garvey-Wandin and Aunty Julieann Axeford and PPWCMA CEO David Buntine sign the PPWCMA-Wurundjeri Partnership Agreement at Mt William stone axe quarry in November 2016

# The Port Phillip and Western Port region

The Port Phillip and Western Port region is home to over 4.5 million people and boasts some of Victoria's most productive farming lands, spectacular parks, picturesque landscapes and diverse natural ecosystems.

The activities and lifestyles of the region's urban and rural residents and its thriving tourism industry are underpinned by the diversity and health of its natural resources. This, along with the challenges associated with a growing population and changing climate, means the region's natural resources need to be carefully managed.

## Native flora and fauna

The extensive range of habitats and natural ecosystems found in the region are home to many species of native flora and fauna. While there has been substantial development and alteration of the region's landscape, 39 per cent retains native vegetation, including several areas of significant grasslands.

Around 34 per cent of this is protected in parks or reserves and managed for conservation, while a further 20 per cent is found on other public land. The remaining 46 per cent is retained on private land.

Many native animals have adapted to the change, but around 340 flora species and 200 animal, bird, fish and reptile species are considered under threat of local or total extinction. Victoria's bird emblem, the Helmeted Honeyeater, is one of these.

## Parks and reserves

The region is home to thousands of parks and reserves that support rare and diverse flora and fauna species and provide highly-valued recreation and tourism areas. This includes eight national parks, six state parks, eight marine protected areas and many regional, metropolitan and local parks and conservation reserves.



4.5m people

600km of coastline

## Agriculture

Of the 1.3 million hectares of land in the region, around 45 per cent is rural farmland with industries including horticulture, dairying, poultry farming, beef farming, horse management and viticulture. The region produces the second highest agricultural yield, in dollars per year, among Victoria's ten catchment management regions.



1.3m ha of land

**39% native  
vegetation**

### Water resources

The region's water storage and waterway system provides most of the potable supply for 75 per cent of Victoria's population, as well as many other economic, social and environmental benefits. There are around 8400 kilometres of waterways, attracting around 100 million recreational visits annually. More than 900 wetlands are dotted across the region, three of which are listed as wetlands of international importance under the Ramsar Convention on Wetlands.

### The bays and coast

The catchment meets the sea at the Port Phillip Bay and Western Port and each has significant ecological, economic and community values. The bays support commercial fishing, aquaculture and three major ports and provide the most popular recreational fishing areas in Victoria. Not surprisingly, some 90 million recreational visits are made to the bays and beaches of the region's 600 kilometre coastline every year.

### Cultural and natural heritage

The region is home to many sites of cultural significance, including important Indigenous sites which have creation and Traditional Owner stories associated with them. Stone quarries, coastal shell middens, geological formations and scar trees are all scattered across the region. Significant landscapes and vegetation, such as the Sunbury Rings, retain important cultural and environmental values.

### Managing the region's natural resources

The region's environment, as measured by indicators such as air and water quality, is generally good. These factors are fundamental to Melbourne's reputation as one of the world's most liveable cities. Managing the natural resources in this region is a complex task. Many people and organisations play a part including government departments and agencies, local councils, non-government organisations, agricultural and industry bodies and volunteer Landcare and community groups.



**8400km  
waterways**

**45%  
farmland**

# The Role of the PPWCMA

The PPWCMA works to enhance the health and resilience of the region's natural resources by drawing people and organisations together to create and implement a strategy for the region's environment.

## Who we are

The Port Phillip & Westernport CMA is a Victorian Government statutory authority established under the *Catchment and Land Protection Act 1994*.

The responsible ministers for 2016-17 were the Hon. Lisa Neville MP, Minister for Water and the Hon. Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change.

## What we do

The PPWCMA is responsible for:

- Preparing a Regional Catchment Strategy and coordinating and monitoring its implementation;
- Promoting cooperation in the management of land and water resources;

- Advising on regional priorities and resource allocation;
- Advising on matters relating to catchment and land protection;
- Advising on the condition of land and water resources; and
- Promoting community awareness and understanding of the importance of land and water resources, their sustainable use, conservation and rehabilitation.

## Who we work with

The PPWCMA works primarily with government departments, councils, water authorities, non-government environmental organisations and community groups to protect and enhance the natural resources within the region.

The PPWCMA also works closely with the Victorian and Australian governments to secure

funds for priority projects and direct them to organisations to undertake on-ground works.

At the local level, the PPWCMA helps landholders improve their knowledge, skills and practices and works with the broader public to increase participation in environmental conservation and gain their input on important environmental issues.

## Our vision

The PPWCMA's vision is to have healthy and resilient ecosystems, catchments and bays in the region, which provide a major contribution to this region being an attractive and prosperous place to live, work and visit.

The vision is elaborated upon in the Regional Catchment Strategy, which identifies environmental assets that are important for the health and productivity of the land, biodiversity and bays. It outlines agreed targets for the future and identifies the responsibilities of government agencies and councils.

## Our values



### Collaboration

We value teamwork and we work with others to identify and achieve optimum outcomes



### Leadership

We are champions for a healthy environment in this region and we assist and motivate others to contribute



### Creativity

We value energy and enthusiasm; we embrace challenges and explore new ways of working to create solutions



### Reliability

We do what we say we will do; we deliver on our promises

# 2016-17 Highlights

- Total revenue of \$9 million secured
- 32 organisations signed on as partners to the Regional Catchment Strategy
- Six events held to celebrate 30 years of Landcare working together, involving close to 500 people
- \$434,750 allocated to 65 projects led by Landcare and community groups through the Port Phillip & Westernport CMA Community Grants
- \$2 million from the Victorian Government's *Our Catchments, Our Communities* initiative allocated to four-year projects in Sunbury, Mornington Peninsula and Dandenong Creek
- 96 landholders contracted to plant over 558,000 trees in the Grow West and Greening the Maribyrnong project areas
- Relationships strengthened with Indigenous communities, including the signing of a partnership agreement between the PPWCMA and the Wurundjeri Council
- Regional Indigenous Facilitator collaborated with Aboriginal elders to lead 10 cultural awareness activities for public authorities and Landcare groups
- A second 'Knowledge Banquet' conducted; attended by 190 people and included presentations by John Thwaites, Gregory Andrews, Jon Faine, Tanya Ha and Rod Quantock
- The three-year, \$3 million Dandenong Ranges Wildlife Recovery, Weed Management and Fuel Reduction Program was successfully delivered
- The 10 year anniversary of the Living Links program celebrated by securing \$1 million for works along the Dandenong Creek corridor
- 18 events to build the capacity of farmers, including three insectary workshops, two farm walks and a results day for the 'Compost Under Vine' project, attracted over 452 attendees
- 45 Landcare groups and networks supported through the delivery of five Catchment Action Round Tables (CARTs) across the region
- A Port Phillip and Western Port Women in Sustainable Agriculture (WiSA) leadership group established to provide opportunities to develop skills, knowledge and confidence to initiate and promote sustainable agriculture in the region
- Over 450 people participated in community engagement activities through the Ramsar Protection Program, including the third annual Dog's Breakfast event at the Altona wetlands which attracted over 200 attendees



The PPWCMA, Mornington Peninsula Landcare Network, Mornington Peninsula Shire councillors and the community launch the *Our Catchments, Our Communities* funded 'Greens Bush to Arthurs Seat Biolink' project in April 2017

# Chair's Message

It is with pleasure that I present the 2016-17 Port Phillip & Westernport CMA Annual Report. Over this past year, the PPWCMA has continued to provide a high level of leadership in natural resource management (NRM) and has further developed partnerships with stakeholders and the community.

## Building a collaborative Regional Catchment Strategy

The Port Phillip & Westernport Regional Catchment Strategy (RCS) continues to build momentum. 2016-17 has seen the RCS evolve significantly and its online format allows RCS partners to update their targets in response to new data and trends.

There are now 32 RCS partners from local government, state government agencies, non-government organisations and Indigenous groups. This is a significant achievement and is a testament to the PPWCMA's engagement efforts with both current and prospective partners.

The Board was excited to work with staff on a review of the implementation of the RCS and scope the next five years for the strategy. This will help us to raise the profile of the strategy and present a suite of 'shovel ready' projects through an online prospectus.

2016-17 also saw the second Knowledge Banquet bring hundreds of people from across the NRM field together to network, learn and take new ideas back to their organisations. The event also provided the PPWCMA with creative ideas and I look forward to seeing them built into our engagement practices.

## Working together for our environment's future

The PPWCMA welcomed the Victorian Government's launch in April 2017 of a new biodiversity plan for Victoria. *Protecting Victoria's Environment – Biodiversity 2037* presents a long-term vision for Victoria's biodiversity and offers modern and effective approaches to protecting and managing the state's environmental values.

There is nothing more important than a healthy natural environment and this plan presents a strong direction for Victoria. We look forward to implementing programs and activities that move us all towards this shared vision.

## Empowering a diverse community

In 2016-17, the PPWCMA continued to empower and engage the region's diverse communities. \$434,750 in grants was delivered to our Landcare and community groups from the Victorian Government's Landcare Program and the Australian Government's National Landcare Programme. The grants enabled these groups to implement a wide range of environmental projects involving revegetation, invasive species removal and community awareness-raising activities.

Our Landcare groups and networks, community groups and farming communities are critical to maintaining the environmental health of the region. We continued to develop strong relationships with our agricultural community through farmer discussion groups, workshops and field days focused on productive and

sustainable agriculture techniques. We also helped 45 Landcare group to collaborate at five Catchment Action Round Tables (CARTs) held across the region.

Our partnerships with the Indigenous community have also continued to grow, particularly through the work of our Regional Indigenous Facilitator. The Board had the opportunity to undertake activities with Indigenous groups to build cultural awareness and I was delighted to sign a partnership agreement with the Wurundjeri Council in November 2016.

## Strong business management

The PPWCMA has again demonstrated excellent financial management, governance, risk management and project management across the organisation. All projects and key business indicators have been achieved throughout 2016-17.

The Board played an active role, participating in a wide range of committees including the Regional Catchment Strategy Steering Committee, Audit Committee and Living Links, Grow West and Yarra4Life coordination committees.

The Board will experience some significant changes in the year ahead as four board members step away from their positions. Their enthusiasm and dedication will be missed, but I look forward to the new ideas and fresh perspectives that this change will bring.

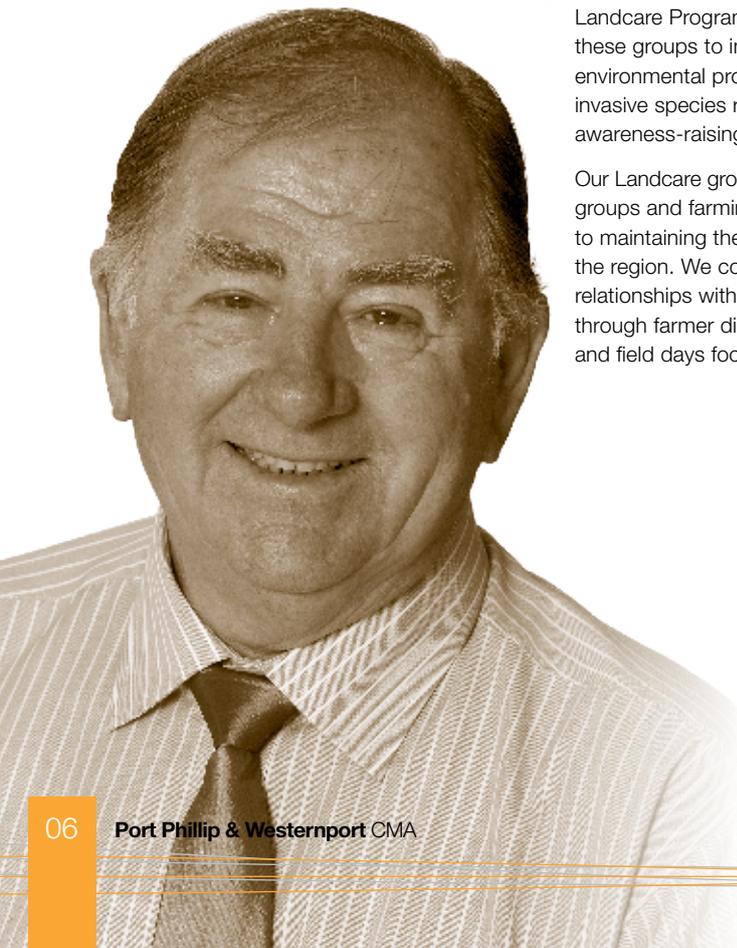
Thank you to all Board members for their outstanding contribution and to our CEO David Buntine and employees for their ongoing dedication and performance. Their hard work ensures outcomes of the highest standard for our environment and the community. I look forward to another exciting and busy year ahead.

In accordance with the *Financial Management Act 1994*, I am pleased to present the PPWCMA Annual Report for the year ending 30th June 2017.



## Neville Goodwin OAM

Chair, Port Phillip & Westernport  
CMA Board  
21st August 2017



# The PPWCMA Board

## Board members for the period 1st July 2016 – 30th June 2017

### Neville Goodwin OAM

Neville is a primary producer at Woodleigh and a former councillor and mayor of the Bass Coast Shire Council. He is on the Board of Bass Coast Regional Health, Chair of the Grantville Community Market and Grantville Recreation Reserve Committee, a long-serving community representative on the Bass Coast Shire Council Major Events Committee and a member of the National Vietnam Veterans Museum Board.

In 2016-17, Neville served as Chair of the PPWCMA Board and the Business and Remuneration Committee.

### Jane Jobe

Jane holds qualifications in Applied Science (Environmental Science) and a Bachelor of Business (Communications). She is co-founder of Southern Sustainable Developments, which creates residential estates with a focus on liveability and the environment. She has served as a board member of the Western Port Biosphere and as a Phillip Island Landcare committee member.

In 2016-17, Jane served as Deputy Chair of the PPWCMA Board and was a member of the Audit Committee.

### Greg Aplin

Greg is a qualified civil engineer and town planner with extensive experience in general management and the planning and development of greenfields sites. During his 30 years in local government, Greg was responsible for commencing sustainable development initiatives, with particular emphasis on water, pest plant and animal issues. Today, Greg is Director of Applied Urban Solutions and sits on a number of public and private boards.

In 2016-17, Greg served as a member of the PPWCMA's Regional Catchment Strategy Steering Committee and Grow West Implementation Committee.

### Sarah Ewing

Sarah is a geographer with extensive experience relevant to catchment management, in both research and education. Her particular interests are in knowledge management and the policy and practice of Landcare. She has previously been a long-term member of the Victorian Catchment Management Council.

In 2016-17, Sarah served as Chair of the PPWCMA's Regional Catchment Strategy

Steering Committee and was a member of the Business and Remuneration Committee.

### Virginia Wallace

Virginia holds qualifications in Law and Arts (Hons) and has practiced as a lawyer, as well as worked across both corporate and government operations. She has previously run solar power and hot water bulk buys for local communities and established a local sustainability group, as well as been involved in her family's waste management and recycling business. She currently works in the not-for-profit sector and is a member of local sustainability groups.

In 2016-17, Virginia served as a member of the PPWCMA's Living Links Coordination Committee, Business and Remuneration Committee and Audit Committee.

### Susan Anderson

Susan is a primary producer and small business owner in Bunyip with conservation qualifications and extensive Landcare and environmental community contacts through the Western Port catchment. She is also a life member and President of the Bunyip Landcare Group. Susan is actively involved in several local organisations, including reserve management, and is an advocate for increased awareness and conservation of natural values.

In 2016-17, Susan served as a member of the PPWCMA's Yarra4Life Coordination Committee, Audit Committee and Community Grants Regional Assessment Panel.

### Moragh Mackay

Moragh is a facilitator of social learning in the natural resources and environmental field. Her main focus is bringing people with diverse views

together to plan purposeful and concerted action towards environmental sustainability. Moragh worked for 15 years with Landcare groups and networks across Victoria and is completing a PhD on the role of social learning in NRM governance. She is also a director on the Western Port Seagrass Partnership, the Koonwarra Village School and the Energy Innovation Co-operative.

In 2016-17, Moragh served as a member of the PPWCMA's Regional Catchment Strategy Steering Committee.

### Allan Bawden PSM

Allan is an experienced CEO and board member in the local government and not-for-profit sectors. He now divides his time between serving as a company director, consulting to boards and governing bodies on strategy and governance and pursuing his interest in primary production. He currently chairs the Southern Alpine Resort Management Board and is a member of the Alpine Resort Coordinating Council and the Gippsland Coastal Board. He holds an MBA from Melbourne University and is a graduate of the Australian Institute of Company Directors. He was made a life member of the Bass Coast Landcare Network in 2014.

In 2016-17, Allan served as a member of the PPWCMA's Business and Remuneration Committee and Audit Committee.

## Board members for the period 1st July 2016 – 23rd August 2016

### Jacquelyn Ross

Jacquelyn served as a Board member from 1st July 2016 through to her resignation on 23rd August 2016. Jacquelyn had been a board member since 2009.



Clockwise from top left: Sarah Ewing, Moragh Mackay, Allan Bawden, Susan Anderson, Jane Jobe, Neville Goodwin, Greg Aplin (not pictured: Virginia Wallace)

# CEO's Message

2016-17 was another outstanding year for the Port Phillip & Westernport CMA. The reach and influence of the Regional Catchment Strategy (RCS) continues to build, our organisational vision and values are stronger than ever and our projects are making a lasting impact on the ground.

## Creating a shared vision for the region

The RCS continues to establish itself as the key integrated environmental strategy for the region. We now have 32 partners who are committed to implementing the strategy and achieving its environmental targets. Further consultation with many other prospective partners will see this number continue to grow.

The Knowledge Banquet returned for 2017 and attracted 190 people to Zinc at Federation Square in May. They were offered a 'buffet' of learning, with speakers such as John Thwaites, Gregory Andrews, Tanya Ha, Jon Faine and Rod Quantock engaging and inspiring audiences. Everyone left with practical and achievable ideas and we were able to extend this learning further by filming the presentations and sharing them via YouTube.

## Collaborating for the environment

The PPWCMA was thrilled to secure additional state and federal government funding in 2016-17. This included \$2 million over four years allocated through the Victorian Government's *Our Catchments, Our Communities* initiative to implement three integrated catchment management projects. The 'Restoring the natural glory of Jacksons Creek at Sunbury' project was allocated \$300,000 and will establish a nature link along Jacksons Creek between the Emu Bottom Wetlands and Salesian College, on the edge of Sunbury. The 'Transforming the



Dandenong Creek corridor into a world-class urban Living Link' project was allocated \$1 million and will undertake a range of on-ground works to enhance and connect green spaces in a 22km corridor of the Dandenong Creek between Bayswater North and Dandenong. Finally, the 'Greens Bush to Arthurs Seat biolink' project was allocated \$300,000 to re-establish a connection between Greens Bush and Arthurs Seat in the Mornington Peninsula.

The release of the Western Port Ramsar Site Management Plan also saw the Victorian Government, through the Victorian Waterways Investment Framework's Waterway Health Program, allocate \$640,000 over the next four years to the site. These funds will allow the PPWCMA to collaborate with key stakeholders and communities to deliver priority conservation actions that protect wetland values.

The Yarra4Life program has been working with Trust for Nature to finalise the purchase of 2.3 hectares of land adjoining the Yellingbo Nature Conservation Reserve, as part of efforts to protect the Helmeted Honeyeater. This was possible due to funding from the Victorian and Australian governments and we look forward to site rehabilitation getting underway in early 2017-18.

## Projects keep on delivering

The year saw our environmental and sustainable agriculture projects progress with great success. All projects have developed strong relationships with a range of partners, helping to maximise environmental outcomes.

The Grow West, Living Links, Yarra4Life, Ramsar Protection, Greening the Maribyrnong and Valuing our Volcanic Plains projects have produced significant on-ground works. Funding from the Australian Government's National Landcare Programme has driven the operation and success of many of these projects.

All projects have also benefited from the work of our Regional Indigenous Facilitator, who has fostered cohesive relationships with local Indigenous groups. As a result, projects actively involve the Indigenous community and benefit from their traditional cultural knowledge.

2016-17 was the final year for the Dandenong Ranges project, with its second and final grants round funding 34 community-led projects. The Australian Government's \$3 million investment into this program has seen improvements to the local environment, as well as reduced fuel loads and bushfire risk.

In 2016-17 the PPWCMA continued to engage Landcare groups, community groups, landholders and the general public. A wide range of workshops, discussion groups, events and planting days helped to achieve this.

The PPWCMA also continued to support Landcare and community groups through our annual community grants program funded by the Victorian and Australian governments. These grants have provided significant financial support for a range of environmental projects across the region.

## Supporting a positive organisational culture

The PPWCMA has a strong organisational culture maintained through the positive attitudes, initiatives and respectfulness of our people. Board and staff members embrace teamwork and are diligent and enthusiastic in their efforts. We reviewed our organisational values in 2016-17 and the result is a set of value we hold dear for all that we do.

Staff morale is monitored through regular internal surveys and the annual government-wide 'People Matter' survey. The results have consistently indicated that our morale and job satisfaction are well above the sector average.

## Exciting future

As we forge ahead with our projects, we welcome new policies and initiatives from the Victorian Government including *Our Catchments, Our Communities, Water for Victoria and Protecting Victoria's Environment – Biodiversity 2037* and will align our vision, strategies and programs with these.

The commitment by the Australian Government to invest another \$1 billion into the National Landcare Programme and extend it for five years is also applauded and provides new opportunities.

We look forward to continuing to deliver on environmental and community needs and I have full confidence that our Board and staff are ready to deliver more great environmental outcomes for this region.

A handwritten signature in black ink that reads "David Buntine". The signature is written in a cursive, flowing style.

**David Buntine**

Chief Executive Officer

# Organisational Structure

At the end of 2016-17, the Port Phillip & Westernport CMA employed a total of 20 staff, led by Chief Executive Officer, David Buntine.

The staff structure comprised the following four teams. These teams were supported by a Communications Coordinator.

## Business Team

The Business Team coordinated the governance and business systems of the PPWCMA to ensure transparent, efficient and compliant management of all administrative, finance, human resource and governance obligations.

## Environmental Projects Team

The Environmental Projects Team managed the delivery of major environmental projects including Grow West, Living Links, Yarra4Life, Greening the Maribyrnong, Valuing our Volcanic Plains, Ramsar Protection Program and the Dandenong Ranges Wildlife Recovery, Weed Control and Fuel Reduction Program.

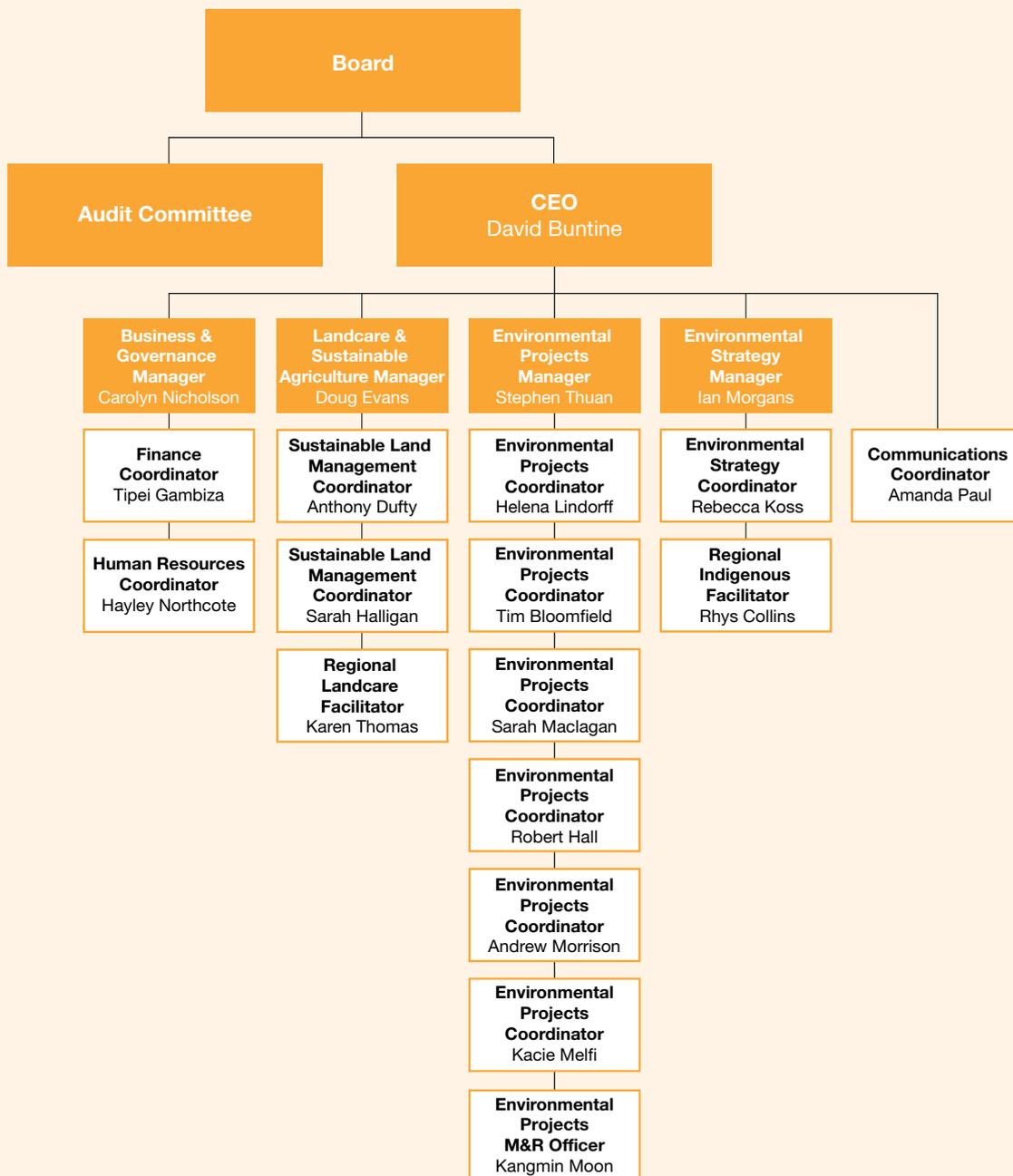
## Environmental Strategy Team

The Environmental Strategy Team managed the implementation of the Regional Catchment Strategy, responded to draft environmental

strategies and plans of other organisations and actively engaged with the region's Traditional Owners.

## Landcare and Sustainable Agriculture Team

The Landcare and Sustainable Agriculture Team supported Landcare groups and networks to design and deliver high quality projects, and supported farmers and agricultural industry groups to adopt sustainable farming practices.



# Summary of Performance

## Legend

✓	Achieved	✓	Partially achieved	×	Not achieved
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## Coordinating implementation of the Regional Catchment Strategy and engaging with regional stakeholders and the community

Performance targets for 2016-17	Achievement	Comments
The Regional Catchment Strategy approved by the Minister	✓	The Regional Catchment Strategy was approved by ministers in 2014 and remained in place throughout 2016-17.
Progress with implementation of the Regional Catchment Strategy is reviewed by the Board annually	✓	The Board considered and approved an assessment of the progress and directions of the Regional Catchment Strategy in June 2017.
Projects/activities to implement the Regional Catchment Strategy are delivered and reported according to associated funding agreements	✓	All projects and activities led by the PPWCMA were delivered and reported upon in line with relevant funding agreements.
A stakeholder and community engagement framework/plan approved by the Board	✓	The <i>Principles and Priorities for the Engagement of Stakeholders</i> plan was approved by the Board in 2013 and remained in place throughout 2016-17.
Ongoing engagements are undertaken with regional stakeholders and community sectors to enhance integrated catchment management, catalyse partnerships and projects, and identify and consult on potential revisions to the Regional Catchment Strategy	✓	Various events and communication activities were conducted during 2016-17 including a second Knowledge Banquet and face-to-face meetings with many organisations. A set of proposed revisions to the Regional Catchment Strategy was approved by the Board for submission to the Minister in June 2017.

## Maintaining high standards of governance and business management and a healthy organisational culture

Performance targets for 2016-17	Achievement	Comments
Submit a Board performance assessment report according to any guidelines issued	✓	The 2015-16 Board performance assessment report was developed and submitted in accordance with the guidelines.
Risk management strategy/plan approved by the Board and being implemented	✓	The risk management approach and Risk Register were reviewed and approved by the Board during 2016-17.
100 per cent of the CMA's policies reviewed and approved by the Board every three financial years	✓	All policies were reviewed and approved by the Board within the past three years.
Full compliance with all Standing Directions under the Financial Management Compliance Framework Checklist	✓	Partial compliance was achieved as 2016-17 was a transition year for the 2016 Standing Directions. Three instances of partial compliance will be addressed during 2017-18 through the development of new policies.

## Projects helping partnerships and environmental condition

Performance targets for 2016-17	Achievement	Comments
Grants programs are delivered and reported according to associated funding agreements.	✓	All grants programs administered by the PPWCMA were delivered during 2016-17 in line with relevant funding agreements.
A regional Landcare Support Plan approved by the Board.	✓	The PPWCMA's <i>Landcare Support Plan</i> was approved by the Board in 2013 and remained in place throughout 2016-17.
Projects/activities to implement the Landcare Support Plan are delivered and reported according to associated funding agreements.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities that fulfil the commitments associated with supporting sustainable land management.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities that fulfil the commitments associated with supporting sustainable agriculture.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities that fulfil the commitments associated with engaging Indigenous communities.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Grow West project.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Living Links project.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Yarra4Life project.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Greening the Maribyrnong project.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Ramsar Protection Program.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Valuing Our Volcanic Plains project.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.
Delivery of activities and on-ground works that fulfil the commitments associated with the Dandenong Ranges project.	✓	All projects and activities led by the PPWCMA were delivered and reported upon during 2016-17 in line with relevant funding agreements.

# Coordinating the Regional Catchment Strategy (RCS)

**32 organisations now signed on as partners to the Regional Catchment Strategy**

**A second set of adaptive changes approved by the Victorian Government including new priorities for responding to climate change**

**Three major integrated catchment management projects funded through the *Our Catchments, Our Communities* initiative**



*The Regional Catchment Strategy for Port Phillip and Western Port Region*

## Strategy for a complex region

The Port Phillip and Western Port region's land, waterways, coasts and bays are intensively managed by 38 local governments, 14 public authorities and over 300 community-based organisations and committees of management. The Regional Catchment Strategy (RCS) assists them to coordinate their work and collaborate around shared visions and targets.

The RCS has evolved significantly since it was formally approved by the Victorian Government in October 2014. With an interactive website designed to be reviewed and updated in response to change, the strategy has been modified in 2016-17 with the addition of significant new information and priorities regarding climate change. The strategy can be viewed at [ppwracs.vic.gov.au](http://ppwracs.vic.gov.au).

## Current RCS partners

Four new organisations officially signed on as RCS partners in 2016-17. This brings the number of RCS partners to 32 organisations.

- Bass Coast Landcare Network
- Boon Wurrung Foundation
- Boroondara City Council
- Brimbank City Council
- Cardinia Shire Council
- Casey City Council
- Crib Point Stony Point Crown Land Reserve Committee of Management
- Department of Environment, Land, Water and Planning
- Environment Protection Authority
- Frankston City Council
- Greater Geelong City Council
- Hobsons Bay City Council
- Hume City Council
- Kingston City Council
- Manningham City Council
- Maroondah City Council
- Melbourne City Council
- Mitchell Shire Council
- Moonee Valley City Council
- Moorabool Shire Council
- Mornington Peninsula Shire Council
- Nillumbik Shire Council
- Melbourne Water
- Parks Victoria
- Phillip Island Nature Parks
- Port Phillip & Westernport CMA
- Southern Rural Water
- Trust for Nature
- Whittlesea City Council
- Wathaurung Aboriginal Corporation
- Wurundjeri Tribe Land and Compensation and Cultural Heritage Council Inc.
- Wyndham City Council

These organisations have each contributed targets and commitments to the strategy.

## Engagement

The PPWCMA's engagement with environmental managers in the region aims to make working together more rewarding than working alone. Engagement with partner organisations in 2016-17 included:

- Detailed advice for 15 organisations to assist in the development of their own environmental strategies;
- Publication of partners' RCS implementation stories on the RCS website;
- Meetings with all RCS partners to discuss their progress towards their targets;
- Meetings with potential RCS partners on the benefits of getting involved;
- A second Knowledge Banquet, which provided an 'all-you-can-learn' feast of learning and networking for 190 attendees from partner and associated organisations;

- Two Knowledge Cafés about building environmental partnerships with Indigenous organisations; and
- A day-long floating conference on Port Phillip Bay to induct new councillors and staff to coastal and marine policy and planning issues. This activity was conducted as a partnership with the Association of Bayside Municipalities.

### Review and improvement

In 2016-17, the PPWCMA Board and staff also evaluated the progress, strengths and weaknesses in RCS implementation. The result was an internal plan of the PPWCMA's work to advance the RCS over the next five years. The plan focuses on six areas:

1. Expand and reward the alliance of RCS partners;
2. Make the links between state and federal goals, regional goals and partner targets clearer;
3. Add a prospectus of priority projects for RCS implementation;
4. Advance catchment condition reporting;
5. Improve the RCS website; and
6. Continue to raise the state-wide status of regional catchment strategies.

The PPWCMA also developed more improvements to the RCS. The next set of proposed changes will:

- Complete the Wadawurrung 'Welcome to Country' statement; the final of three welcomes by our region's Aboriginal Elders. The statement describes Wadawurrung's aspirations for environmental management and a brief account of their past and present as custodians of country;

- Update the list of Australian and Victorian Government strategies and plans, especially those with goals connected to RCS partners' work;
- Update the strategy's account of 'regional economy';
- Add new partner targets and statements of commitment from Maroondah City Council and Boroondara City Council;
- Update the text and interactive map for Kingston City Council, Cardinia Shire and Frankston City Council and for Trust for Nature; and
- Change the 'planning' and 'potential' status of nature link projects for the Mornington Peninsula, Werribee River and Maribyrnong Valley to 'underway'.

The proposed changes were approved by the Board in June 2017 for submission to the Minister for Water.

### Looking ahead

In 2017-18 and future years, work will focus on:

- Maintaining the RCS website's currency, relevance and practical application, with particular attention to the links between the RCS and state and federal government;
- Establishing a prospectus of priority action projects;
- Maintaining partner commitments and expanding the alliance of new partners, especially among Landcare networks and non-government organisations; and
- Monitoring and reporting on the implementation of the strategy and progress towards its targets.

### Case study – Knowledge Banquet

After the success of the 2016 Knowledge Banquet, the PPWCMA organised a follow up event for 2017. Held at Zinc at Federation Square, the 2017 Knowledge Banquet focused on political partnerships and how environmental practitioners could 'spice up' their campaigns to get more interest and engagement.

Participants were treated to a range of engaging presenters, including John Thwaites, Gregory Andrews, Tanya Ha, Jon Faine and Rod Quantock. Each focused on clear and practical ways that participants could enhance their communications to engage new audiences and investors, including politicians and the media.

This year a 'Tweet Wall' encouraged attendees to share their learning on social media and the presentations were filmed and shared on YouTube after the event.

The Knowledge Banquet also fostered collaboration among organisations, encouraging them to share knowledge and generate partnerships. New organisations attended in 2017, including a number who are not RCS partners yet, which presented opportunities for new collaborations and partnerships in the future.

The four new RCS partners (Bass Coast Landcare Network, Boroondara City Council, Wathaurung Aboriginal Cooperation and Wyndham City Council) were presented with recognition awards for their commitment to the RCS.

The Knowledge Banquet was supported partly by funds allocated through the Victorian Government's *Our Catchments, Our Communities* initiative.

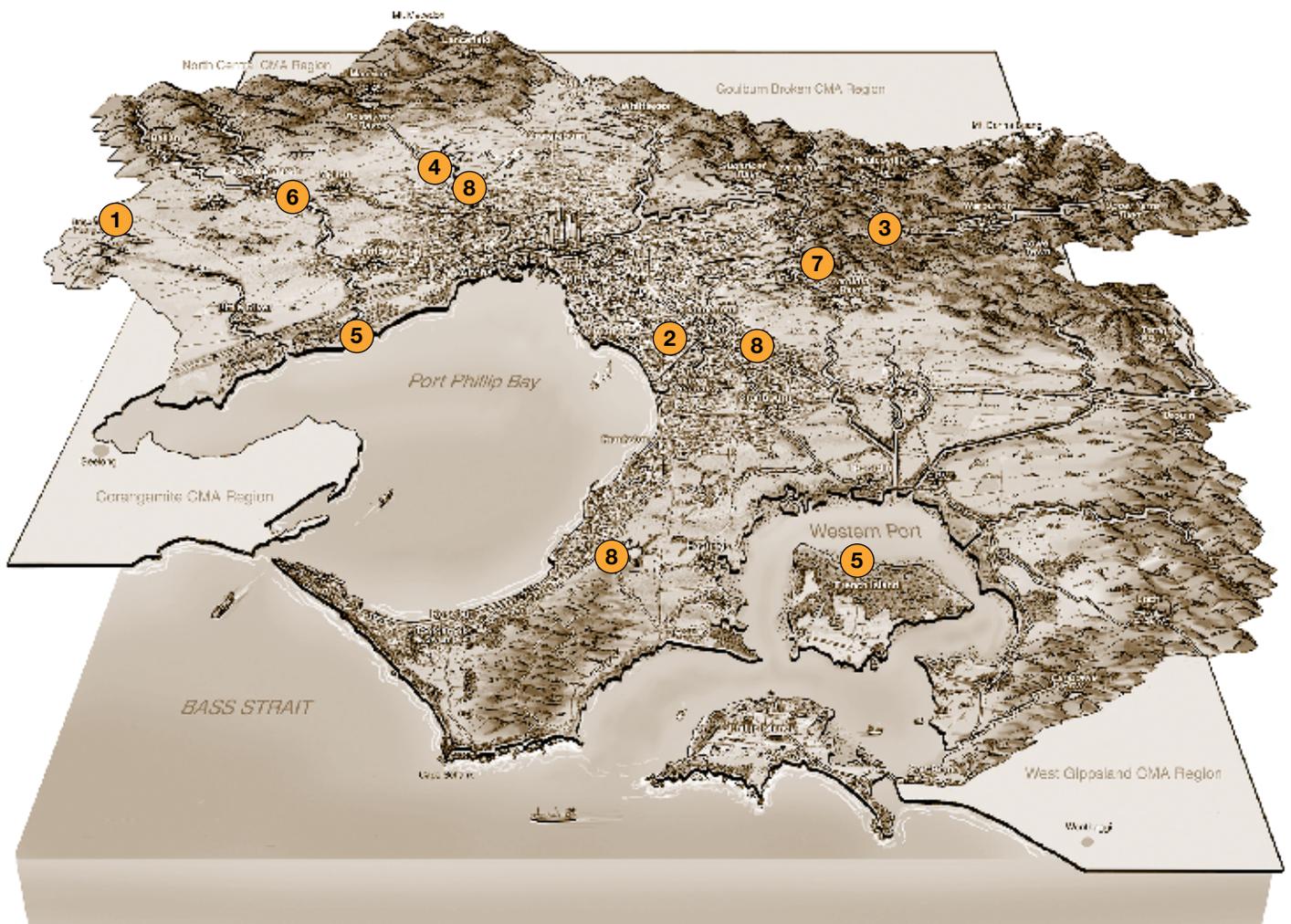


Jon Faine and Damien Willoughby share their thoughts on media and social media at the Knowledge Banquet 2017

2016-17 Performance Target	Achievement
Progressive Regional Catchment Strategy improvements approved by the Minister	✓
Implementation progress of the Regional Catchment Strategy is reviewed annually	✓
Projects/activities to implement the Regional Catchment Strategy are delivered and reported according to associated funding agreements	✓
A stakeholder and community engagement framework/plan approved by the Board	✓
Ongoing engagements are undertaken with regional stakeholders and community sectors to enhance integrated catchment management, catalyse partnerships and projects and identify and consult on potential revisions to the Regional Catchment Strategy	✓

# PPWCMA Project Map

This map outlines the major projects being delivered by the Port Phillip & Westernport CMA. Detailed information on each project's actions and achievements for 2016-17 are outlined on pages 13-39.



## Region-wide projects

- Regional Catchment Strategy (p12-13)
- Port Phillip & Westernport CMA Community Grants (p15-17)
- Supporting the Landcare movement (p18-19)
- Supporting sustainable land management (p20-21)
- Supporting sustainable agriculture (p22-23)
- Engaging Indigenous communities (p24-25)

## Region-specific projects

1. Grow West (p26-27)
2. Living Links (p28-29)
3. Yarra4Life (p30-31)
4. Greening the Maribyrnong (p32-33)
5. Ramsar Protection Program (p34-35)
6. Valuing our Victorian Volcanic Plains (p36-37)
7. Dandenong Ranges Wildlife Recovery, Weed Control and Fuel Reduction Program (p38-39)
8. *Our Catchments, Our Communities* funded projects (p28, 32)

# Coordinating Government Grants

**Over \$1.3 million from Victorian Government programs directed to priority projects**

**Over \$3.3 million from the Australian Government's National Landcare Programme directed to priority projects**

**\$434,750 within those funds provided to local communities for 65 projects through the 2016-17 Port Phillip & Westernport CMA Community Grants**

For more than a decade, the Port Phillip & Westernport CMA has coordinated the roll-out of various Victorian Government and Australian Government funding streams and grants programs.

In 2016-17, this included \$1.3 million of Victorian Government funds and \$3.3 million from the Australian Government's National Landcare Programme. Resourcing for PPWCMA to coordinate the grants was provided as part of each investment agreement and was generally in the order of 10 per cent of the particular investment.

## Victorian Government funded projects

Project	Funding
Regional Landcare Coordination	\$149,200
Port Phillip & Westernport CMA Community Grants (see page 17 for more information)	\$204,000
Ramsar wetland protection in Port Phillip and Western Port	\$160,000
Our Catchments, Our Communities: Transforming the Dandenong Creek corridor into a world-class urban Living Link (year one)	\$268,000
Our Catchments, Our Communities: Linking the Mornington Peninsula Landscape – Greens Bush to Arthurs Seat Biolink (year one)	\$68,000
Our Catchments, Our Communities: Restoring the natural glory of Jacksons Creek at Sunbury – a foundation for the Maribyrnong Nature Link (year one)	\$99,000
DELWP Biodiversity Hubs: Protecting and Connecting species and Communities in Melbourne's West	\$150,000
DELWP Biodiversity Hubs: Protecting and Connecting species and Communities on the Mornington Peninsula	\$104,000
French Island Feral Cat INFFER Assessment (year one)	\$10,000
Finding a common language to measure NRM	\$14,000
Acting on the Victorian Biodiversity Plan in urban Melbourne – Gardens for Wildlife	\$86,000
<b>Total</b>	<b>\$1,312,200</b>

\$183,473 of the community grants funding was provided to community groups through the 2016-17 Port Phillip & Westernport CMA Community Grants. 52 projects were funded to undertake on-ground works and community-based activities (as shown in the table on page 17). The grant allocations were determined within 18 business days of applications closing.

## National Landcare Programme funded projects

Project	Funding
Regional Indigenous Facilitator	\$167,000
Regional Landcare Facilitator	\$167,000
Demonstrating sustainable farm practices in the Western Port, Port Phillip and Yarra catchments	\$333,000
Building the capacity of farmers to adopt sustainable agricultural and land management practices in the Port Phillip and Western Port region	\$184,435
Building the capacity of Landcare groups and networks to facilitate the adoption of sustainable practices	\$167,000
Protecting the ecological values of the Western Port Ramsar site	\$369,200
Protecting the ecological values of the Port Phillip Bay - Western Shoreline Ramsar site	\$96,000
Permanent protection of habitat to support listed species and communities	\$111,000
Protecting and connecting listed communities and species on the Victorian Volcanic Plains	\$217,000
Protecting and connecting listed species in the Yarra Ranges	\$222,000
Port Phillip & Westernport CMA Community Grants (see page 17 for more information)	\$278,000
Dandenong Ranges Wildlife Recovery, Weed Control and Fuel Reduction Program	\$1,000,000
French Island Feral Cat INFFER Assessment	\$20,000
<b>Total</b>	<b>\$3,331,635</b>

\$250,000 of the community grants funding was provided to community groups through the 2016-17 Port Phillip & Westernport CMA Community Grants. 13 projects were funded to undertake on-ground works and community-based activities (as shown in the table on page 17). The grant allocations were determined within 18 business days of applications closing.

2016-17 Performance Target	Achievement
Grants programs are delivered and reported according to associated funding agreements	✓

### Case study – Demonstrating Sustainable Farm Practices Project

The ‘Demonstrating Sustainable Farm Practices’ project is a five-year project funded through the Australian Government’s National Landcare Programme. It is delivered collaboratively between Bass Coast Landcare Network, South Gippsland Landcare Network, Mornington Peninsula Shire Council and AgVic and managed by Western Port Catchment Landcare Network.

The project has engaged with over 2000 farmers and is renowned throughout Victoria for its innovative programs. Many of the programs are the first of their kind in Australia, including establishing the first organic vegie/fruit growers discussion group, running the first Grazfert program and supporting the multi-storey farming and compost under vine demonstrations.

The project has made a significant impact on the uptake of sustainable farming practices across the Western Port, Mornington and Yarra catchments and provided the opportunity for interested farmers to visit demonstration sites and take away scientifically sound information to implement on their own properties.

The project has achieved significant levels of change in farming practices in the region. One example is Clinton Tepper, a forester and farmer who was inspired to find a new method of tree planting after seeing people’s frustration with trees on farms. With the support of the project, Clinton was able to trial an innovative ‘multi-storey farming’ design and achieved great success. His field days booked out within hours of being advertised with many attendees keen to replicate his technique.



Clinton Tepper growing teff at the his multi-storey farming demonstration site in Neerim South

### Case study – Supporting urban grasslands in Melbourne’s west

The Cairnlea Conservation Reserve Committee of Management, together with the Friends of Iramoo, are volunteers who look after three urban grasslands in St Albans. These reserves form an important area of habitat for the endangered Striped Legless Lizard, as well as many other endangered species such as the Spiny Rice-Flower, Button Wrinklewort, Tussock Skinks and Rye Beetle Grass.

The grasslands have been degraded by weed invasion, grazing and soil disturbance. Funding received through the Port Phillip & Westernport CMA Community Grants allowed the committee to continue their 30-year ecological recovery program of transitioning Serrated Tussock-dominated grassland into herb-rich kangaroo grass grassland.

The PPWCMA grant, along with monies received through a crowd-funding campaign (Saving Six Grassland Species) and DELWP’s Threatened Species Protection Initiative Grant, enabled 2016-17 to be the most successful year to date. Volunteers planted an amazing 20,445 individual wildflowers over 12 planting days.

Natural recruitment is now occurring for a range of wildflower species including Spiny Rice-flower, Button Wrinklewort, Lemon Beauty Heads and Podolepis sp.1. Whilst most grassland research indicates this to be a rare event, the committee has shown that by undertaking ecological burning, weed control and re-establishing intact herb-rich fields, natural recruitment can occur.

The committee has been successful in securing a PPWCMA grant for works in 2017 and is excited to continue to deliver the on-ground works.



Volunteers from the Cairnlea Conservation Reserve Committee of Management at one of their planting days

## Community grants awarded in 2016-17

Victorian Government grant recipients	Funding
Andersons Creek Catchment Area Landcare group	\$500
Arthurs Creek and District Landcare Group	\$500
Balcombe & Moorooduc Landcare Group	\$500
Balcombe Estuary Reserves Group	\$16,208
Bass Valley Landcare Group	\$500
Brisbane Ranges Landcare Group	\$500
Bunyip Landcare Group	\$500
Cairnlea Conservation Reserves Committee of Management	\$29,120
Cannibal Creek Landcare Group	\$500
Cardinia Catchment Landcare	\$500
Christmas Hills Landcare Group	\$13,137
Chum Creek Landcare Group	\$500
Clarkefield and District Landcare Group	\$500
Coimadai Landcare Group	\$500
Cottles Bridge Landcare Group	\$500
Deep Creek Landcare Group 3434	\$500
Dixons Creek Landcare Group	\$500
Frankston Beach Association	\$12,763
French Island Landcare Group	\$500
Hurstbridge District Landcare	\$500
Jindivick Landcare Group	\$500
Johns Hill Landcare Group Inc.	\$500
Jumping Creek Catchment Landcare Group	\$500
Kinglake Landcare Group	\$500
Labertouche Landcare and Sustainable Farming Group	\$500
Loch/Nyora Landcare	\$500
Macclesfield Landcare Group	\$29,800
Middle Yarra Landcare Network	\$500
Montrose Upper Landcare Group	\$500
Moorabool Landcare Network Inc.	\$30,000
Mornington Peninsula Equine Landcare Group	\$500
Mornington Peninsula Landcare Network	\$500
Mount Lyall Landcare Group	\$500
Mount Toolebewong and District Landcare	\$500
Neerim & District Landcare Group	\$500
Newham & District Landcare Group	\$500
Olinda Creek Landcare Group Inc.	\$500
Pentland Hills Landcare Group Inc.	\$500
Poowong & District Landcare Group	\$500
Red Hill South Landcare Group	\$500

Victorian Government grant recipients	Funding
Riddells Creek Landcare Group	\$500
Sheepwash Creek Catchment	\$500
South Gippsland Landcare Network	\$500
Southern Ranges Environment Alliance	\$500
St Andrews Landcare Group	\$21,300
Strathewen Landcare Group	\$9,145
Toomuc Landcare Group	\$500
Triholm Landcare Group	\$500
Watsons Creek Catchment Group	\$500
Western Port Swamp Landcare Group	\$500
Yarra Ranges Landcare Network	\$500
Yarra Valley Equestrian Landcare Group	\$500
<b>Total</b>	<b>\$183,473</b>

Australian Government grant recipients	Funding
Bend of Islands Conservation Association	\$4,400
Dunmoochin Landcare Group	\$18,891
Friends of Braeside Park	\$8,700
Friends of Steele Creek	\$28,920
Hurstbridge District Landcare	\$7,890
Main Creek Catchment Landcare Group	\$29,292
Manton & Stony Creeks Landcare Group	\$22,415
Merricks Coolart Catchment Landcare Group	\$27,800
Rowsley Landcare	\$29,120
Southwest Mornington Peninsula Landcare	\$30,000
Parks Victoria (Warneet Friends Group)	\$6,050
Western Port Catchment Landcare Network	\$29,999
Western Port Seagrass Partnership	\$7,800
<b>Total</b>	<b>\$251,277</b>

Note: funding is made up of \$250,000 NLP funding from 2016-17 and \$1277 in other funds.

# Supporting the Landcare Movement

**30 years of Landcare in Victoria celebrated with six community events attended by close to 500 people**

**Twice yearly forums held for leaders and facilitators of the region's 13 Landcare networks to plan and act together**

**Landcare groups covered 83.3 per cent of all private rural land in the region**

During 2016-17, the Port Phillip & Westernport CMA continued to provide strategic support and leadership for the region's Landcare movement. This support and leadership is guided by the PPWCMA Landcare Support Plan and coordinated by a Regional Landcare Coordinator position funded by the Victorian Landcare Program.

## **Landcare communication and promotion**

Six events featuring special places, special people and local Landcare networks sharing their stories were held through November 2016 to celebrate 30 years of Landcare in Victoria. These events attracted nearly 500 people from across the region.

The 2016 National Landcare Conference was held in Melbourne in September and the Regional Landcare Coordinator arranged three bus tours for conference delegates. These tours showcased a range of local Landcare people and projects from around the region to appreciative audiences.

Regular email, telephone and social media communication was undertaken with the 85 Landcare groups, 13 networks and 250 other community environment groups in the region, alerting them to opportunities including the potential for funding from the Victorian Landcare Program and National Landcare Programme grants through the Port Phillip & Westernport CMA Community Grants.

## **Helping groups and networks collaborate**

In 2016-17, the Regional Landcare Coordinator convened two forums for the leaders of Landcare networks, and two forums for local Landcare facilitators. The purpose of these forums is to share and learn from each other, stay informed, provide a shared voice and collaborate where opportunities arise.

The forums in 2016-17 focused on contributing to updating the Regional Catchment Strategy and the Healthy Waterways Strategy, as well as learning more about the Victorian Government's new biodiversity strategy, *Protecting Victoria's Environment – Biodiversity 2037*.



Johns Hill Landcare Group show off their Weed Community Action Planning project to National Landcare conference delegates

The Regional Landcare Coordinator also assisted 45 Landcare groups and networks to collaborate with one another, along with various agencies, by supporting the delivery of five Catchment Action Round Tables (CARTs) across the region.

### Community grants

The PPWCMA delivered \$435,750 of Victorian and Australian Government funding to community groups in 2016-17 through the annual PPWCMA Community Grants. 48 groups received support grants of \$500 and 21 larger projects were funded to undertake on-ground works and capacity building activities.

The Regional Landcare Coordinator supported delivery of the grants through development of the grant guidelines and example projects, providing advice on grant applications to prospective applicants and being a member of the Regional Assessment Panel.

### Landcare report card

Data collected from 49 Landcare groups and nine Landcare networks was compiled into the Port Phillip and Western Port Landcare Report Card 2015-16. The report card indicated that Landcare groups in this region now cover 777,101 hectares, representing 60.8 per cent of the region and 83.3 per cent of all private rural land.

For the 2015-16 year, Landcare volunteers contributed an estimated \$1.55 million in value through their volunteer time delivering activities related to on-ground works, learning, administration and communication. The report card is available at [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au)

### Looking ahead

The PPWCMA will continue to pursue the directions outlined in the Regional Landcare Support Plan. Funding from the Victorian Landcare Program for the Regional Landcare Coordinator role and community grants is central to this work.

Forums for Landcare Network Leaders and Landcare facilitators will be continued to ensure collaboration and coordination across the region. With funding from the Australian Government's National Landcare Programme, the PPWCMA will continue to assist Landcare groups and networks to use the Conservation Action Planning (CAP) process, collaborate at CARTs and provide the opportunity to access community grants for local projects.

### Case study – Landcare celebrates 30 years in Victoria

Landcare was founded in 1986 by two remarkable women – Heather Mitchell (then President of the Victorian Farmers Federation) and Joan Kirner (then Minister for Conservation, Forests and Lands). Friday 25th November 2016 marked the 30th anniversary of Landcare in Victoria. The Victorian Government provided the PPWCMA with \$10,000 to celebrate this milestone.

The PPWCMA's Regional Landcare Coordinator worked with Landcare networks from across the region to deliver six events to celebrate this milestone, with close to 500 people taking part in the celebrations held through November.

The events featured special places and people including:

- Tootgarook Swamp at the Boneo Park Equestrian Centre;
- Holden Proving Ground in Lang Lang;
- Wurundjeri Stone Axe Quarry at Mt William;
- Professor David Lindenmayer from ANU;
- Boon Wurrung Elder Aunty Carolyn Briggs;
- James Fitzsimons from The Nature Conservancy;
- Jacqui Young from the Mt Rothwell Conservation and Research Centre;
- Nora Peters from Melton and her video of a young wedge-tailed eagle growing up; and
- Martin Scuffins from the Leigh Valley Hawk and Owl Sanctuary with his display of live birds of prey.

Every event also featured local Landcare networks sharing their stories of people and activities from the past 30 years.

The PPWCMA thanks Trust for Nature, Boneo Park Equestrian Centre, Holden and Macedon Ranges Shire Council for their support in delivering these events.

Congratulations to Landcare for what has been achieved in our region and the PPWCMA looks forward to continued great work with Landcare.



PPWCMA's Doug Evans and Mornington Peninsula Landcare Network's David Maddocks showcase a map of the Mornington Peninsula's Landcare groups

2016-17 Performance Target	Achievement
A regional Landcare Support Plan approved by the Board	✓
Projects/activities to implement the Landcare Support Plan are delivered and reported according to associated funding agreements	✓

# Supporting Sustainable Land Management

**Five-year, \$1.75 million projects funded through the National Landcare Programme**

**Over 400 farmers and Landcare members directly involved in events**

**Four farmer discussion groups, five field days and four WiSA events held in 2016-17**

The Port Phillip & Westernport CMA is leading two five-year projects supporting Landcare and farmer groups to improve sustainable agriculture and land management. These projects are funded with \$1.75 million through the Australian Government's National Landcare Programme. 2016-17 was the fourth year of the five-year projects.

## **Working with Landcare groups**

The PPWCMA assists Landcare groups to develop high quality conservation plans and landholders to adopt biodiversity conservation practices. The aim is an improved contribution of local community action to achieve national, state and regional goals.

In 2016-17, the PPWCMA ran two key engagement activities across the region - Conservation Action Planning (CAP) workshops and Catchment Action Round Tables (CARTs).

The primary purpose of CAPs is to provide knowledge and skills for leaders in Landcare to design and deliver biodiversity projects. Three CAP workshops delivered between January and June 2017 were attended by people from the Bullengarook Landcare Group, Greendale Wombat Landcare Group, Moorabool Catchment Landcare Group, Yarra Ranges Landcare Network and Nature West Landcare Network.

Five CARTs were conducted during 2016-17 in the Werribee, Maribyrnong, Yarra, Western Port, Bass Coast and South Gippsland and the Mornington Peninsula regions. The CARTs were attended by over 100 people from 18 Landcare groups (and 10 Landcare networks) and 12 other natural resource management organisations. The CARTs enhanced the relationships and collaboration between Landcare groups and local agencies.

To ensure best practice in natural resource management, a number of maps and best practice guides were provided to Landcare groups, including resources for rabbit and blackberry control, weed control and mapping of Mornington Peninsula Landcare Biolink's baseline vegetation quality. Workshops on best practice horse property management and serrated tussock control were organised for the Coimadai Landcare Group and Greendale Landcare Group respectively.

## **Farmer discussion groups**

In 2016-17, 149 farmers were engaged in 17 activities that explored sustainable farming practices. Farmer discussion groups provided a forum for landholders to share their knowledge and experiences with others, and gain support and advice on sustainable land management practices. There are currently four farmer discussion groups in the region - Ballan, Romsey, Sunbury and Women in Sustainable Agriculture (WiSA).

## **Farmer capacity building events**

In 2016-17, the PPWCMA worked with a range of partners to run a number of capacity-building events for farmers and landholders that encouraged them to adopt sustainable farming practices.

A GrazFert Pilot Program was developed for Mornington Peninsula in partnership with Agriculture Victoria, Mornington Peninsula Landcare Network and Mornington Peninsula Shire. It will illustrate to livestock grazers how to undertake more sustainable land management practices and increase their land's productivity through better understanding their soil. 10 landholders will be involved in the pilot.



Joel Salatin, owners of Toms Paddock and PPWCMA staff at regenerative farming workshop in February 2017

Field days were held showcasing existing trials and demonstrations on shelterbelts for biodiversity and productivity, regeneration of farm paddock trees, how native vegetation on farms can be managed for both production and conservation, shrubs for fodder and native grasses for erosion control.

Other collaborative events with Landcare included:

- A property planning workshop run over four weeks with the Yarra Ranges Landcare Network where participants learnt about soil health, pasture management, grazing practices, native vegetation protection, waterway enhancement and land classing;
- A talk with Joel Salatin at Toms Paddock focusing on regenerative farming;
- A field trip through the Yarra Valley to showcase whole farm planning;
- Workshops on weed identification/control and rabbit control; and
- Supporting the 2018 Women on Farms Gathering Organising Committee with their next event on 16th–18th March 2018.

16 events occurred in 2016-17 and attracted a total of 204 attendees.

### Looking ahead

Events and activities with local Landcare groups and farmers will continue in 2017-18 with the funding allocated to this work coming from the Australian Government’s National Landcare Programme.

CAPs and CARTs will remain a focus for engaging Landcare groups. Promoting the adoption of sustainable agriculture techniques by farmers will focus on providing outcomes from the trials and demonstration projects and sharing their findings, along with working with farmer discussion groups to share ideas that promote sustainable agriculture.

### Case study - Women in Sustainable Agriculture (WiSA) leadership group

The Port Phillip and Western Port Women in Sustainable Agriculture (WiSA) leadership group is giving women farmers in the region opportunities to develop, enhance and share their skills, knowledge and confidence to initiate and promote sustainable agriculture.

The group began with 15 passionate women, who were given the opportunity to develop their leadership and communication skills at a two-day workshop held in September 2016. This was the first stage in a capacity-building program being offered by the PPWCMA and supported by funding from the Australian Government’s National Landcare Programme. Out of this, the women decided to form a strong collaborative group known as WiSA.

The women, keen to take a leading role in promoting sustainable agriculture, come from a variety of agricultural industries and interests including beef, sheep, fruit and vegetable production, permaculture, viticulture, apiary and the equine industry. The group provides a platform for these women to share their stories, skills and knowledge, whilst having the opportunity to step outside their comfort zone in a safe and supportive environment. WiSA has since expanded to around forty women, boasts an active Facebook group and Instagram account and has run a number of events and tours throughout the region.

WiSA has also been successful in receiving additional expert support for workshops in communications, marketing and business planning through the Australian Government and Southern Cross University’s Farming Together program. WiSA complements the ‘invisible farmer’ principles of sustainability, connectivity, community, capability and honouring the contributions and leadership of farm women of the past, present and into the future. Some other CMAs around Victoria are now implementing the model as a direct result of the success of WiSA.



The Women in Sustainable Agriculture (WiSA) group on a marketing tour of the Mornington Peninsula in April 2017

#### 2016-17 Performance Target

Delivery of activities that fulfil the commitments associated with supporting sustainable land management

#### Achievement



# Supporting Sustainable Agriculture

**Regional Landcare Facilitator employed through the Australian Government's National Landcare Programme**

## Regional Landcare Facilitator

The Port Phillip & Westernport CMA employs a Regional Landcare Facilitator funded through the Australian Government's National Landcare Programme. In 2016-17, the facilitator worked with a range of agricultural industry groups across the region to advance the understanding of profitable, sustainable agriculture techniques and further develop existing and new demonstrations and trials.

## Mornington Peninsula Vignerons Association

In 2016-17, the 'Compost Under Vine' trial entered its final year. The trial also involved the Western Port Catchment Landcare Network and has seen a steady increase in the number of vineyards trialling or adopting the practice of spreading compost mulch under vine since it began.

A final results day was held in April 2017. The main advantages of the mulch treatments that were observed related to:

- A lower soil bulk density;
- A more moderated day night soil temperature fluctuation;
- A reduction of water use; and
- Increases in soil microbial biomass.

For more information on the trial results go to [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au). Over 120 hectares of vines on the Mornington Peninsula is now composted regularly and there are plans to continue monitoring of the trial sites.

**18 events focusing on increasing farmer knowledge in 2016-17, attracting 452 attendees**

## Fruitgrowers Victoria

In 2015-16, compost trials were established in two pome fruit orchards, with a view to reducing water and herbicide use, improving soil health and reducing sediment and nutrient run-off. With a dry spring/summer in 2015-16, early observations showed that the mulch layer could be very beneficial in protecting the topsoil and ensuring greater water infiltration.

At one site, the control row (using herbicide under the trees) showed that water from drip irrigation was simply pooling and running off into the inter-rows, rather than being absorbed into the soil and benefiting the tree. A preliminary results day was held in July 2016 with 12 growers attending to see what trends are emerging prior to the end of the trials in 2018.

**Trials of innovative sustainable agriculture established including variable fertiliser rates, insectaries, compost under vine and bush food production**

## Australian Native Food Industry Australia

In March 2017, a bush food grower group was formed to assist landholders look for opportunities to diversify their income. An ongoing discussion with Collingwood Children's Farm and the Wurundjeri Council has resulted in site preparation works at the Children's Farm to re-plant native shelterbelts with a bush food understory. A planting day was held in June 2017 with the Collingwood Children's Farm, Wurundjeri, PPWCMA and Trust for Nature.

## Vegetable growers

In 2016-17, a Peninsula-based organic vegetable farm completed a water stewardship action plan, outlining improvement works to be undertaken ensuring their property is reducing nutrient and sediment runoff into Watson Creek which flows into Yaringa Marine National Park. The plan will be implemented in 2017-18.



PPWCMA, Trust for Nature, Wurundjeri Council and Collingwood Children's Farm planting native bush foods at the farm in June 2017

### Victorian Strawberry Industry Development Committee

Regular meetings with the Victorian Strawberry Industry Development Committee have resulted in various activities and collaborations to assist the industry with low input farming information. One strawberry farm is now a demonstration site for planting native vegetation to attract beneficial insects. This same property is an excellent demonstration farm for industry best practice and a short video has been produced to highlight key practices such as 100 per cent groundcover to reduce sediment runoff into the waterway and low impact turf tyres on tractors to avoid compaction and erosion problems.

### Balliang Food and Fibre Group

As a follow up to the variable fertiliser rate trials that began in 2015, a funding application was submitted to DELWP's Port Phillip Bay Fund to support further development of the variable fertiliser rate project. This application was successful and the 18 month project is expected to begin in early 2017-18

In March 2017, the Balliang Food and Fibre Group participated in an integrated pest management workshop to develop a local strategy for managing key pests such as slugs, snails, aphids and red legged earth mites in canola crops.

### Farmer capacity-building events

The Regional Landcare Facilitator worked with various partners to run 18 farmer capacity building events in 2016-17, which together attracted 452 attendees, including:

- Three 'creating native vegetation insectaries to attract beneficial insects' workshops across the region which attracted 72 people;
- Two farm walks at the main insectary trial site in Cockatoo which attracted over 70 people; and
- A 'results day' to highlight the results from the three year trials of the 'Compost Under Vine' project on the Mornington Peninsula. The event was held in partnership with Westernport Catchment Landcare Network and attracted 40 people.

### Looking ahead

The Regional Landcare Facilitator role and associated activities will continue its final year in 2017-18 with funding through the Australian Government's National Landcare Programme.

### Case study - Compost Under Vine project yields promising results

In April 2017, the final Compost Under Vine results day was held in Balnarring on the Mornington Peninsula. A range of speakers discussed the results including Declan McDonald, Erika Winter and Joe Vaughan of 100Hunts Vineyard (the demonstration site).

The main advantages of the mulch treatments observed related to a lower soil bulk density; a more moderated day night soil temperature fluctuation; a reduction of water use; increases in soil microbial biomass; and improvements to soil condition.

The results showed that improvement in soil condition leads to better plant health and reduced water stress. One vineyard recorded irrigation savings of 20 per cent in summer 2016 (dry year) with the control row using 2ml/ha and the fine compost block using 1.6ml/ha from November to March. In 2017, a wetter year, they had irrigation savings of 12 per cent, with the control row using 1.3ml/ha and the fine compost using 1.1 ml/ha.

There were some statistically significant differences between treatments due to very different rainfall conditions in all three years. Some trends which were evident in a dry year could not be observed after the very wet spring in 2016. With climate variability to be expected to increase, several seasons of observation would be desirable to provide more concrete results.

To further substantiate all of the trial data, continuation of the measurements of soil moisture, soil temperature, bulk density and soil biological activity as well as bunchzone temperature, canopy characterisations like leaf health, vine balance and ratio of young to active leaves and winegrape chemistry needs to occur for at least two more years.



A Slender Hover Fly feeding on Native Daisy nectar at Fielderberry Farm's insectarium site



Declan McDonald and Tyson Lewis (MPVA) assess one of the trial sites

#### 2016-17 Performance Target

Delivery of activities that fulfil the commitments associated with supporting sustainable agriculture

#### Achievement



# Engaging Indigenous Communities

## PPWCMA Indigenous Participation Plan developed and adopted

## Three Indigenous enterprises in land management developed through partnerships between the PPWCMA and Indigenous organisations

## 789 people (34% Indigenous) participated in 50 events aimed at improving Indigenous cultural awareness and understanding

### Regional Indigenous Facilitator

The Port Phillip & Westernport CMA employs a Regional Indigenous Facilitator funded through the Australian Government's National Landcare Programme who aims to:

- Increase the capacity of Indigenous people and organisations to participate in natural resource management planning and activity at local and regional scales;
- Support Traditional Owners to raise the awareness of land, water and nature conservation managers in government and community-based organisations of their people's NRM goals and aspirations;
- Assist Indigenous organisations to document and communicate their traditional land and water management practices; natural resource management (NRM) goals and aspirations; cultural heritage values; and
- Understand and adopt Indigenous organisations' preferred methods of working with the PPWCMA, other public authorities and Landcare groups.

### Building capacity

In 2016-17, the Regional Landcare Facilitator focused on building the capacity of Indigenous organisations to take a leadership role in natural resource management for the region. Some achievements around this have included:

- A partnership agreement between the PPWCMA and the Wurundjeri Council was signed at a ceremony at Mt William – a highly significant Aboriginal site near

Lancefield – in November 2016. The agreement confirmed the PPWCMA's commitment to working towards Wurundjeri goals and aspirations and in ways that respect their preferred methods of engagement in natural resource management and sustainable agriculture;

- Working with the Bunurong Land Council to document its goals and aspirations for natural resource management with the intent to create a partnership agreement;

- Providing Indigenous Environment Grants to the Bunurong Land Council to develop a five-year business plan for a 'caring for country' team and the Wurundjeri Council to strengthen their cultural practices and traditional knowledge;
- Supporting the Boon Wurrung Foundation and Wurundjeri Council to progress their data collection, recording and management systems and skills to store, retrieve and use cultural information; and



PPWCMA staff observe artefacts within shell middens during a men's activity with Bunurong Land Council at Bushrangers Bay

- Advancing contemporary uses of Indigenous fire management methods by supporting four of the region's Indigenous organisations to lead these activities, building shared competency and enterprise in fire management.

### Raising awareness and understanding

Through the Regional Indigenous Facilitator, the PPWCMA coordinated, hosted, supported and participated in 50 events aimed at improving Indigenous cultural awareness and understanding.

The events included topic-specific land management workshops, seminars and meetings, as well as 10 cultural awareness events led by Aboriginal Elders. Topics included traditional life skills, seeing landscapes through Aboriginal eyes, contemporary meaning for caring for country and Indigenous people's role in natural resource management.

Of the 789 people that participated in these events, 34 per cent were Indigenous.

Some highlights included:

- Supporting the Wurundjeri's Narrap (Country) Team to communicate their aspirations by presenting at major events including the National Landcare Conference, Resource Management Conference at the University of New England, as well as hosting traditional smoking ceremonies and talks about cultural history; and
- The Wathaurong Cooperative, Bunurong Land Council and Wurundjeri Council presenting at a workshop on Indigenous land management at the National Coastal Conference.

### Looking ahead

The Regional Indigenous Facilitator role and associated activities will continue in 2017-18 with funding through the Australian Government's National Landcare Programme.



Examples of Indigenous artefacts used during cultural awareness and education workshops

### Case study - seeing landscapes through Aboriginal eyes

Wurundjeri Elders worked with the PPWCMA to co-design two cultural competency and knowledge-building days for PPWCMA staff, council and agency staff, Landcare members and community groups held in March and May 2017.

At the events, participants walked the Maribyrnong escarpment and Steele Creek confluence in Avondale Heights, inspected the land management pressures at Sunbury Rings, discussed Wurundjeri culture and history, and searched for trees with cultural scars in the Long Forest Reserve.

The events encouraged participants to see landscapes from an Indigenous perspective. They explored what caring for country means and how it relates to their work in natural resource management. Wood and stone tool collection techniques, bush food identification and significant sites were discussed. An open dialogue between the Wurundjeri Council and the land management organisations was fostered, helping them to build positive working relationships based on shared knowledge.

The Wurundjeri Council is receiving support from the City of Hume and the PPWCMA to protect and restore the Sunbury Rings. The rings are acknowledged as an important place and their structural integrity has been threatened by rabbits and weeds. Based on the results of archaeological investigations, it is believed that the rings may be more than 1000 years old and that the group of three rings may have related to separate male and female ceremonies and initiations.



Participants taking part in cultural awareness training with the Wurundjeri Land Council in March and May 2017

### 2016-17 Performance Target

Delivery of activities that fulfil the commitments associated with Regional Indigenous Facilitation Project

### Achievement



# Coordinating the 'Grow West' project

**Contracts established with 48 landholders to plant 388,862 trees**

**Seven organisations and five community members an active part of the Grow West Implementation Committee in 2016-17**

**130 community members planted 3000 trees at Surbiton Park in Melton**

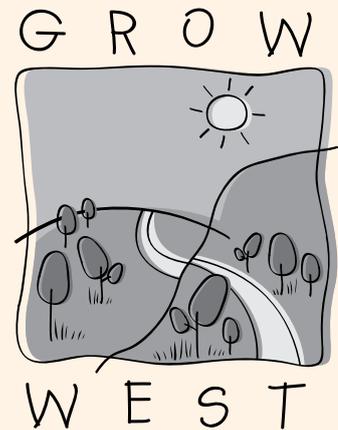
## **Landscape rehabilitation on a grand scale**

For more than 13 years, Grow West has worked to improve degraded landscapes around Bacchus Marsh, in the west of Melbourne. Its vision is to rejuvenate up to 10,000 hectares and develop vegetation connections across landscapes between the Brisbane Ranges National Park, Werribee Gorge State Park and Lerderderg State Park.

Grow West has worked with a range of landholders on revegetation projects ranging from one to over 100 hectares. In total, over 2500 hectares have been revegetated with the aim to enhance biodiversity, reduce the spread of noxious weeds and pest animals, reduce erosion and improve landholder skills and participation.

Grow West brings together planners and practitioners from a range of organisations and community groups including Moorabool Shire Council, Melbourne Water, Southern Rural Water, Parks Victoria, Department of the Environment, Land, Water and Planning, Conservation Volunteers Australia and the Moorabool Landcare Network.

The Port Phillip & Westernport CMA coordinates Grow West on behalf of these partner organisations by convening an implementation committee, managing the project's finances and employing project staff who lead the delivery of on-ground works, reporting and promotion.



*Landholders at an information session for the Greening the West - 1 Million Trees Project*

## Achievements in 2016-17

During 2016-17, Grow West secured funding to continue the delivery of on-ground works and coordination including:

- A share of \$3.63 million from Lead West to assist in the delivery of the Australian Government's 'Greening the West – 1 Million Trees' project. The PPWCMA, through the Grow West and Greening the Maribyrnong projects, will deliver 716,470 trees in the Upper Werribee and Maribyrnong Catchments; and
- \$50,000 from partner organisations, including the Moorabool Shire Council, Melbourne Water and Southern Rural Water to contribute to the ongoing planning and coordination of Grow West.

In 2016-17 the implementation of the Greening the West – 1 Million Trees project, in the Grow West area led to contracts with 48 landholders to plant 388,862 trees.

Community engagement was also a focus during 2016-17. At the annual Grow West Community Planting Day, held in July 2016, 130 volunteers planted over 3000 seedlings across three hectares of land, contributing to the overall goals of Grow West.

## Looking ahead

Grow West will continue its engagement with the wider community through the annual Grow West Community Planting Day in July 2017. The annual event attracts over 200 people from the local community and it is anticipated that this level of engagement will continue.



Over 3000 seedlings were planted at Surbiton Park in Melton in July 2016

## Case study – 3000 trees planted at Surbiton Park

Grow West headed south into Melton for its 11th annual Grow West Community Planting Day in 2016. Grow West partnered with Western Water to hold the event at the Melton Recycled Water Plant, Surbiton Park.

The Melton Recycled Water Plant is situated on 694 hectares in Exford and was constructed in 1977, servicing the Melton population and surrounds. In 2009, Western Water received the United Nations Environmental Award for Excellence in Sustainable Water Management and was a finalist for the 2009 Premier's Sustainability Award for its work at this Class A Recycled Water Plant.

The 694 hectare site was chosen as it is home to two areas of environmental significance – Pinkerton Forest (35 hectares) and Werribee River Volcanic Gorge (54 hectares).

With the help of Pinkerton Landcare and Environment Group, Melbourne Water, both who are involved in restoration works on the site, 130 volunteers undertook environmental works along 2km of the Werribee River, planting 3000 trees on the day.

The Grow West Community Planting Day continues to build on its success every year, providing the community with a unique opportunity to make substantial, wide ranging improvements to the liveability and sustainability of the west.

Future works are planned for the corridor with the creation of further habitat corridors to connect Pinkerton Forest and nearby Bush's Paddock underway.

The event was funded through the Greening the West – 1 Million Tree program which is supported by the Australian Government's 20 Million Trees Programme (part of the National Landcare Programme).



Some young volunteers working hard at the 2016 Grow West Community Planting Day

### 2016-17 Performance Target

Delivery of activities and on-ground works that fulfil the commitments associated with the Grow West project

### Achievement



# Coordinating the 'Living Links' project

**15 organisations involved in the Living Links Coordination Committee, working together to create a web of green spaces across Melbourne's south-east**

**\$1 million secured in 2016-17 to carry out work along the Dandenong Creek corridor**

**Living Links celebrated 10 years of operation during which more than 100 on-ground projects have occurred**

## **Partnerships for a world-class urban ecosystem**

Living Links is a large-scale environmental and social project working to create a web of high quality, interconnected green spaces in Melbourne's south-east. It aims to enhance urban biodiversity and to improve opportunities for people to experience the many benefits of connecting with nature.

Living Links brings together numerous organisations and community groups including City of Bayside, City of Casey, City of Greater Dandenong, City of Kingston, City of Knox, City of Maroondah, City of Monash, City of Whitehorse, Frankston City Council, Yarra

Ranges Shire Council, Melbourne Water, South East Water, Parks Victoria, Bushwalking Victoria and Conservation Volunteers Australia.

The Port Phillip & Westernport CMA coordinates Living Links on behalf of the partner organisations by convening a Coordination Committee, managing the project's finances and employing project staff who lead the delivery of on-ground works, reporting and promotion.

Over its 10 years of operation, Living Links has developed a long-term corridor plan and has undertaken or assisted in the delivery of over 100 projects across Melbourne's south-east suburbs.



*Approximately 50 community members and Living Links partners enjoyed a tour of some of the Our Catchments, Our Communities funded sites in April 2017*

## Achievements in 2016-17

2016-17 marked 10 years of formal operation for Living Links, with the Living Links Coordination Committee being officially established in 2006 and the project formally launched in 2007. The first on-ground projects commenced soon after.

As a timely and welcome 10th anniversary 'present', Living Links secured \$1 million from the Victorian Government's *Our Catchments, Our Communities* initiative to implement a four-year 'Transforming the Dandenong Creek corridor into a world-class urban Living Link' project. It will undertake a range of environmental works to enhance and connect green spaces along the Dandenong Creek, as well as engaging the community to better use and care for the area. The project was launched on 28th April 2017 and the project's delivery partners, Maroondah City Council, Knox City Council, City of Greater Dandenong, City of Casey and Parks Victoria, commenced initial on-ground works soon after.

In 2016-17, the following works were completed:

- 37.4 hectares of weed control;
- 8.1 hectares of revegetation; and
- Four community events.

## Looking ahead

The next three years will see the continued delivery of on-ground and community engagement works as part of the 'Transforming the Dandenong Creek' project (see case study).

Communications and marketing strategies will also be developed to optimise leverage off the successes of this project, as the PPWCMA continues to work collaboratively with Living Links project partners to attract further significant funding to implement the Living Links Master Plan across other parts of the catchment.



Community members signed a nest box to commemorate the launch of the Dandenong Creek corridor project

## Case study - transforming the Dandenong Creek into a world-class urban Living Link

Dandenong Creek is one of 17 corridors that have been identified through the 5-year collaborative Living Links master-planning process as offering the best opportunities for new or improved links to benefit the community and environment.

Over the next three years, the \$1 million 'Transforming the Dandenong Creek into a world-class urban Living Link' project will carry out an integrated program of weed control, revegetation, litter removal and fencing of sensitive areas along two high-priority sections of the Dandenong Creek corridor between Bayswater North and Dandenong (totalling 13.5km in length).

This will increase the extent, quality and connectivity of native vegetation, support more diverse native flora and fauna, boost populations of threatened species and improve water quality in Dandenong Creek (as well as its adjoining billabongs and wetlands) and into Port Phillip Bay. The project will also carry out a range of community engagement activities to help the local community connect to nature.

Delivering the project is a partnership involving the PPWCMA, Melbourne Water, Maroondah City Council, Knox City Council, City of Greater Dandenong, City of Casey, Parks Victoria and local community groups.

Key outputs will include:

- Over 60 hectares of weed control;
- Over 40 hectares of revegetation;
- More than 2000 volunteers contributing over 5000 hours during 100 events, including planting days, weeding working bees, litter clean-ups, fauna surveys, and water quality monitoring activities; and
- At least eight fauna monitoring sites established to monitor changes in diversity over time.

These works will improve habitat connectivity and amenity values, and provide long-lasting environmental and social benefits to the Dandenong Creek corridor and the local community.



A promise of things to come at one site along the Dandenong Creek corridor between Bayswater North and Dandenong

### 2016-17 Performance Target

Delivery of activities and on-ground works that fulfil the commitments associated with the Living Links project

### Achievement



# Coordinating the 'Yarra4Life' project

**Completed year four of its five-year, \$1 million project funded by the Australian Government's National Landcare Programme**

**128 hectares of pest control, 6.1 hectares of revegetation and other on-ground works undertaken in 2016-17**

**State and federal government funding contributed to the purchase 2.3 hectares of land to expand Yellingbo Nature Conservation Reserve**

## **Creating new habitat connections in the Yarra Valley**

Yarra4Life is a major environmental project in the Yarra Valley that aims to protect, improve, increase and connect habitat for native animals including the Helmeted Honeyeater and the Leadbeater's Possum.

A long-term goal is to have habitat links from the Yellingbo Nature Conservation Reserve north to the Yarra Ranges National Park, south-east to Kurth Kiln Regional Park and west to the Dandenong Ranges National Park, thereby expanding the habitat range for these and other native animal species.

Partner organisations working together in Yarra4Life in 2016-17 included:

- Parks Victoria;
- Yarra Ranges Council;
- Melbourne Water;
- Yarra Ranges Landcare Network;
- Friends of the Helmeted Honeyeater;
- Trust for Nature;
- Victorian National Parks Association;
- Friends of Leadbeater's Possum;
- DELWP;
- Wurundjeri Tribe Land & Compensation Cultural Heritage Council Inc.; and
- Conservation Volunteers Australia.

The Port Phillip & Westernport CMA coordinates Yarra4Life on behalf of the partner organisations by convening a coordination committee, managing the project's finances and employing project staff who lead the delivery on on-ground works, reporting and promotion.

## **Achievements in 2016-17**

The major Yarra4Life activity in 2016-17 was delivering the fourth year of a five-year, \$1 million project funded through the Australian Government's National Landcare Programme. This included the completion of on-ground

works by 13 landholders engaged in the first round of the private land incentives program and allocation of funding for round two of the private land incentives program. These works will improve habitat values in high-priority locations. By the end of 2016-17, these on-ground works resulted in:

- 1.45 hectares of weed control;
- 128 hectares of pest animal control;
- 6.1 hectares of revegetation; and
- 11.1 hectares of plantings and native bushland protected by 3.5 km of fencing.



*The Helmeted Honeyeater is critically endangered and one of the priority species for the Yarra4Life project*

**yarra4life**

Work also started on the second stage of a two-year grant awarded to the Wandoon Estate Aboriginal Corporation for fencing, weed control and revegetation works at its 'Coranderrk' property near Healesville. This second stage included the installation of 11 kilometers of fencing and planting 10,000 indigenous plants across 5.4 hectares. Many of the plants were planted during three community planting days, where volunteers were welcomed in a smoking ceremony by Traditional Owners and enjoyed some 'bush tucker' before getting stuck into the tree planting.

Yarra4Life secured funding in 2015-16 from the Victorian Government's Threatened Species Protection Initiative and the Australian Government's National Landcare Programme to purchase 2.3 hectares of land to expand Yellingbo Nature Conservation Reserve. The purchase of the land has been completed and is now in the process of being transferred into the National Reserve System. Plans for the rehabilitation of the site are underway with works expected to begin in early 2017-18.

Ongoing engagement and reciprocal learning activities between the Yarra4Life Coordination Committee and the Wurundjeri Tribe Land

Compensation and Cultural Heritage Council were also undertaken. The Wurundjeri have been engaged to assign a Woiwurrung name to the 2.3 hectares of land and participated in a visit to this site in April 2017. The site visit included a stop at the Friends of the Helmeted Honeyeater nursery and a feeding station where four Helmeted Honeyeaters were sighted on the day.

### Looking ahead

On-ground work funded through round two of the private land incentives program, as well as community engagement activities, will continue in 2017-18 with the funding allocated to this work coming from the Australian Government's National Landcare Programme.

In addition, Yarra4Life will roll-out a series of education and training events in partnership with Yarra Ranges Shire Council, Southern Ranges Environment Alliance and the Yarra Ranges Landcare Network.

On-ground rehabilitation works will commence at the 2.3 hectares of land adjoining the Yellingbo Nature Conservation Reserve. These works will include weed and pest animal control and revegetation.

### Case study - showcasing a decade of Yarra4Life's work

In November 2016, around 30 people attended a field day at 'Tibooburra', a spectacular 500 hectare grazing and viticulture property owned by the Kerr family in the Yarra Valley.

The event was held to celebrate a decade of environmental work that has been carried out with the assistance of Yarra4Life and Melbourne Water and to showcase some of the current works taking place.

The day started with talks at the 'Pioneer's Hut'. Greg Kerr spoke about his family's vision for the property as a sustainable productive farm producing quality beef and wines whilst acting as sensitive and responsible custodians of the land. Approximately 10 per cent of the land is dedicated to nature conservation and Greg spoke about the multiple benefits this has brought to the farming enterprise, such as bringing in native insect pollinators and providing shelter for stock.

By protecting and expanding native vegetation on the property, the Kerr's are also helping to create a biolink between Yellingbo Nature Conservation Reserve and Kurth Kiln National Park, which will assist in the preservation of two of Victoria's iconic native species – the Helmeted Honeyeater and the Leadbeater's Possum.

Participants also enjoyed a walk around the property in the glorious spring sunshine to tour the works that have been completed, including the new direct-seeding site currently funded through Yarra4Life.

The event was supported by the PPWCMA through funding from the Australian Government's National Landcare Programme and by Melbourne Water.



Wurundjeri Elders and representatives watch Helmeted Honeyeaters in Yellingbo Nature Conservation Reserve



Greg Kerr shows visitors through Tibooburra Farm during a field day in November 2016

#### 2016-17 Performance Target

Delivery of activities and on-ground works that fulfil the commitments associated with the Yarra4Life project

#### Achievement



# Coordinating the 'Greening the Maribyrnong' project

**Greening the Maribyrnong involves 19 organisations working together to improve the Maribyrnong Valley environment**

**56 sites across the Maribyrnong catchment ready and the planting of 170,000 trees underway**

**\$300,000 received through the Victorian Government's Our Catchments Our Communities initiative to restore Jackson's Creek in Sunbury**

## **An environmental vision for the Maribyrnong Valley**

Greening the Maribyrnong is a major environmental project aimed at revitalising some of the degraded escarpments of the Maribyrnong Valley through control of weeds and pest animals and revegetation with native

habitat. Its long-term ambition is to establish a nature link stretching from the Macedon Ranges to inner Melbourne.

Greening the Maribyrnong brings together a number of organisations and community groups, including:

- DELWP
- Melbourne Water
- City West Water
- Western Water
- Parks Victoria



*State Member for Sunbury Josh Bull, Anthony Carbines MP, Wurrundjeri Elder Aunty Alice Kolasa, PPWCMA Board members and Hume City councillors at the launch of the Jacksons Creek Our Catchments, Our Communities project*

- Brimbank City Council
- Hume City Council
- Maribyrnong City Council
- Moonee Valley City Council
- Conservation Volunteers Australia
- Lead West
- Macedon Ranges Shire Council
- Melbourne Airport
- Friends of the Maribyrnong Valley
- Friends of the Organ Pipes National Park
- Jacksons Creek Eco Network
- Upper Deep Creek Landcare Network
- The Wurundjeri Tribe Land and Compensation and Cultural Heritage Council

The Port Phillip & Westernport CMA coordinates Greening the Maribyrnong on behalf of the partner organisations. Two project coordinators are employed to work collaboratively with partner organisations, managing the project's finances and leading the delivery of on-ground works, monitoring and reporting.

**Achievements in 2016-17**

During 2015-16, the PPWCMA was announced as a key delivery partner in the \$5 million Greening the West – 1 Million Trees project, which forms part of the Australian Government's 20 Million Trees programme. 2016-17 has seen the major implementation of this project. 48 landholders have been engaged to undertake work across 56 sites. Preparatory works have been undertaken in anticipation of more than 170,000 trees being planted over the 2017 winter planting season within the Maribyrnong catchment.

Another new project, 'Restoring the natural glory of Jacksons Creek at Sunbury', to establish a nature link along Jacksons Creek, between the Emu Bottom Wetlands and Salesian College on the edge of Sunbury, was launched on 24th April 2017.

The project received an allocation of \$300,000 through the Victorian Government's *Our Catchments Our Communities* initiative. The project aims to improve native vegetation along the river valley, help local animals including the Growling Grass Frog, Swift Parrot and Platypus, improve recreational opportunities for residents and visitors, protect and showcase significant Indigenous sites and provide community education about the natural values of the creek. Partners in the project include Melbourne Water, Salesian College, Wurundjeri Tribe, Hume City Council and the Friends of Emu Bottom Wetland. Works began immediately with significant plantings scheduled for the winter of 2017.

During 2016-17, Greening the Maribyrnong also continued its pest plant and animal control work and effected substantial revegetation work along six kilometres of Emu Creek in partnership with Melbourne Water. Works have comprised the planting of more than 18,000 tubestock and 12 hectares of direct seeding.

**Looking ahead**

Completing the plantings under the Greening the West – 1 Million Trees project is a major focus in the first half of 2017-18. This project aims to implement a large-scale revegetation program to the west of Melbourne and the PPWCMA will achieve the delivery of 700,000 trees in the region in 2017-18.

The 'Restoring the natural glory of Jacksons Creek at Sunbury' project will be a major delivery focus across the entire year.

Significant works, including the removal of pest plants and animals and revegetation will soon be completed at Emu Creek. The focus will then be on maintenance and monitoring.

Ongoing engagement and collaboration between partners involved in Greening the Maribyrnong will also continue into 2017-18.

**Case study - supporting research into the effectiveness of direct seeding**

Greening the Maribyrnong, through its Emu Creek project, has supported University of Melbourne research (commissioned by Melbourne Water) into the effectiveness of direct seeding in riparian areas.

Early results of trial plots have been carefully monitored with findings compared to other sites that are forming part of the research. With further monitoring of results planned, early conclusions suggest direct seeding has potential as a revegetation technique in riparian areas.

Direct seeding is significantly less expensive per hectare but the composition of sowing mixes must be tailored to maximise species diversity in the resultant vegetation community.

The Greening the Maribyrnong project will incorporate the results from this research into its future direct seeding endeavours.



Seedlings growing on a trial plot



Direct seeding of trial plots

2016-17 Performance Target	Achievement
Delivery of activities and on-ground works that fulfil the commitments associated with the Greening the Maribyrnong project	✓

# Coordinating the 'Ramsar Protection Program'

**\$3.12 million over five years from the Australian Government to protect Ramsar wetlands**

**\$640,000 in funding over four-years secured from the Victorian Government to implement actions in the new Western Port Ramsar Site Management Plan**

**20,442 hectare of pest management, 1115 hectares of weed control and over 450 people involved in community engagement activities in 2016-17**

## Partnerships to protect our wetlands

The Ramsar Protection Program aims to protect the ecological values of internationally significant wetlands (at a. Western Port and b. the western shoreline of Port Phillip Bay). These wetlands are listed under the Ramsar Convention.

The program is coordinated by the Port Phillip & Westernport CMA and funded through the Australian Government's National Landcare Programme and the Victorian Department of Environment, Land, Water and Planning.

The program's focus is on managing key threats to wetland values through the control and eradication of pest animals, including feral cats, foxes, rabbits and goats, and removing

invasive weeds, such as African boxthorn, blackberry and spartina.

This highly successful, multi-partner program is delivered through collaboration with multiple organisations and land managers including Parks Victoria, Hobsons Bay City Council, Phillip Island Nature Parks, Mornington Peninsula Shire, BlueScope Steel, Bass Coast Landcare Network, Birdlife Australia, City of Casey, French Island Landcare and Western Port Biosphere. This ensures that pest plant and animal control can be coordinated and planned together to ensure optimum results across a large area.

Significant emphasis is also placed on community engagement activities to raise awareness of the environmental values of

these Ramsar-listed wetlands. A variety of information sessions, community workshops and events, as well as activities with local Indigenous groups, have helped promote the uniqueness and importance of these wetlands.

## Achievements in 2016-17

2016-17 has been a productive year for the Ramsar Protection Program. Approximately \$620,000 was dedicated to various works that dealt with feral cats, foxes, rabbits, goats and pigs cumulatively across 20,442 hectares. In addition, 1115 hectares were treated for weed control. Over the four years that the project has been in operation, there have been major ecological improvements to native vegetation



Community members and agencies enjoying the festivities at the 2017 Dog's Breakfast event in Altona

communities, particularly sensitive saltmarsh and mangrove ecosystems.

Managing sites for noxious weed has allowed native ground-cover to re-establish in areas once dominated by African boxthorn and other habitat altering weeds. Removing these weeds has contributed to reducing harbour for invasive animals such as foxes and rabbits.

Integrated pest animal management across both Ramsar sites has achieved substantial reductions in goats, feral cats, foxes, pigs, deer, rabbits and black rat abundance. Monitoring has recorded increased sightings of native animals, including small mammals and resident and migratory shorebirds and waterbirds.

A strong focus was also placed on increasing community awareness of Ramsar wetlands in the Port Phillip and Western Port region. A number of activities were undertaken which included workshops, public events and forums which involved 453 community members.

Highlights included:

- The third annual 'Dog's Breakfast' event at the Altona Wetlands in January 2017, which attracted over 200 members of the local community. Attendees and registered dog owners learnt about the environmental values of Port Phillip Bay's western shoreline and how to manage their pets to ensure the protection of migratory birds;
- A three-day Indigenous Shorebird and Wetland Conservation workshop attended by 9 Indigenous participants who learnt about wetland ecology and identifying Australian waterbirds and shorebirds, helping to boost their future employment opportunities; and
- BlueScope Steel signed a partnership agreement to help protect the environmental values of the Western Port Ramsar site.

### Looking ahead

Collaboration with partner organisations to deliver significant pest animal and weed control activities will continue in 2017-18 with the funding allocated to this work from the Australian Government's National Landcare Programme and the Victorian Government.

Community engagement and participation will continue to strengthen with numerous workshops, forums and events planned over the coming years.

### Case study - rehabilitating The Spit Wildlife Reserve

PPWCMA have worked closely with Parks Victoria and other stakeholders to help protect and rehabilitate The Spit Wildlife Reserve which forms part of the internationally significant Port Phillip Bay (Western Shoreline) Ramsar site.

The Spit Wildlife Reserve is widely used as a destination for recreational boating and fishing, with Kirk's Point boat ramp to the north and Murtcaim to the south. The reserve was showing signs of degradation from vehicles driving off-track across fragile saltmarsh vegetation.

Saltmarsh vegetation provides important habitat for a wide range of fauna and helps protect the coastline from storm surges and erosion. Saltmarsh condition and extent are vital for the survival of both resident and migratory shorebirds. In Victoria, coastal saltmarsh communities are listed as a 'vulnerable' ecological community under the Environment Protection and Biodiversity Conservation (EPBC) Act.

Works completed to date includes pest animal management, weed control, revegetation, photo point monitoring, and vehicle management (exclusionary fencing). Interpretive signage was also installed to help inform the public about the importance of this site on a global scale.

A comprehensive vegetation quality assessment, funded by the Victorian Government's Department of Environment, Land, Water and Planning, was completed to record the current native ground cover. This assessment will be repeated in 2020 to monitor and measure the recovery of saltmarsh generated through on-ground works at the site.



'Natural' bollards installed at The Spit Wildlife Reserve to prevent off-track vehicle access



Works will benefit the Red-neck Stint that migrate to the The Spit Wildlife Reserve every year

#### 2016-17 Performance Target

Delivery of activities and on-ground works that fulfil the commitments associated with the Ramsar Protection Program

#### Achievement



# Coordinating the 'Valuing our Volcanic Plains' project

**Five-year, \$980,000 project funded by the Australian Government's National Landcare Programme**

**\$93,565 provided to 15 private landholders in 2016-17 through the competitive incentive program**

**126 hectares of weed management, 205 hectares of rabbit control and 2.1 hectares of ecological burning undertaken in 2016-17**

Valuing Our Volcanic Plains is a five-year, \$980,000 project coordinated by the Port Phillip & Westernport CMA, funded through the Australian Government's National Landcare Programme.

Targeting the Victorian Volcanic Plains to the west of Melbourne, the project combats invasive weeds and pest animals and improves

land management practices in order to help threatened species such as the Striped Legless Lizard (*Delma impar*) and the Matted Flax-Lily (*Dianella amoena*).

The PPWCMA employs a project coordinator to manage the project, including a competitive incentives program for delivery of works on

private land. There is strong collaboration between the Hume City Council, City of Greater Geelong, Melton City Council, Corangamite CMA, Glenelg Hopkins CMA and the Department of Environment, Land, Water & Planning in the delivery of the project.



Feather head (*Ptilotus microcephalus*) thriving as a result of successful grassland management

### Achievements in 2016-17

In 2016-17, the project's fourth year, Valuing Our Volcanic Plains allocated \$93,565 to 15 private landholders through round four of the competitive incentives program. These landholders will deliver pest plant and animal control under four-year management agreements.

In addition, on-ground works were completed on private properties that successfully received grants under round three of the competitive incentives program.

Over 126 hectares of land was treated for priority weeds, 205 hectares treated for rabbits (including 0.95km of rabbit-proof fencing) and 2.1 hectare treated through ecological burning. These works are making a significant contribution to the protection and enhancement of EPBC-listed grasslands and grassy woodlands on the Victorian Volcanic Plains.

### Looking ahead

In 2017-18, the final round of the competitive incentives program will see the funding from the Australian Government's National Landcare Programme focusing on the use of fire as a land management tool. This work aims to increase native pasture grass availability and yield, while reducing hazardous fuels and suppressing weeds in the Victorian Volcanic Plains region.

This round will be conducted in collaboration with councils and Indigenous organisations. Community engagement events such as workshops are planned to be held.



Australian Bluebell (*Wahlenbergia stricta*) and Hop Goodenia (*Goodenia ovata*) thriving as a result of successful grassland management

### Case study – competitive incentive program builds landholder capacity

Little River property owner, Andrew Pitcher, was one of 15 landholders to be awarded funding through round four of the Valuing Our Volcanic Plains competitive incentive program. His property has suffered from heavy weed infestation and has been over-grazed by pest animals throughout the last 15 years.

The works undertaken on his property primarily focused on eradicating weeds such as Serrated Tussock (*Nassella trichotoma*), Boneseed (*Chrysanthemoides monillifera ssp. Monillifera*) and African boxthorn (*Lycium ferocissimum*).

Through the on-ground works, regular one-on-one site visits and the production and maintenance of the conservation management plan, Mr Pitcher has greatly increased his understanding of his own land and his statutory obligation as a landholder. This increase in knowledge led to a stronger desire to take better care of his land ecologically and this was demonstrated through the increase in in-kind work he committed.

Through participation in three rounds of the competitive incentives program years, Mr Pitcher's land has significantly improved. He intends to continue his commitment to the land's environmental values into the future.



Representatives from the PPWCMA and City of Greater Geelong inspecting a project site in October 2016

### 2016-17 Performance Target

Delivery of activities and on-ground works that fulfil the commitments associated with the Valuing Our Volcanic Plains project

### Achievement



# Coordinating the Dandenong Ranges Program

**The three-year, \$3 million project funded by the Australian Government's National Landcare Programme was completed in 2016-17**

**Over \$2 million in grants delivered 63 on-ground, community-led projects during the life of the program**

**1500 ha of biodiversity improvement works and 375 ha of bushfire fuel reduction work delivered by community grants**

The three-year 'Dandenong Ranges Wildlife Recovery, Weed Management and Fuel Reduction Program' launched in 2014-15 by the Federal Minister for the Environment, Hon Greg Hunt MP and Federal Member for La Trobe, Jason Wood MP was completed in 2016-17.

The project involved communities in local environmental work and improved the environmental health of the Dandenong Ranges. The Port Phillip & Westernport CMA coordinated the implementation of the program.

## Achievements in 2016-17

In 2016-17, the PPWCMA delivered the third and final year of the Dandenong Ranges program. This included the administration and support of 34 community-led projects that were awarded grants in 2016-17 (63 projects in total from 2015-17).

On-ground achievements for the life of the grants include:

- 817 hectares and 65 kilometres of weed control;
- 640 hectares of pest animal control;
- 42 hectares improved through plantings;
- 375 kilometres of bushfire fuel reduction work; and
- A measured reduction in the bushfire fuel load.

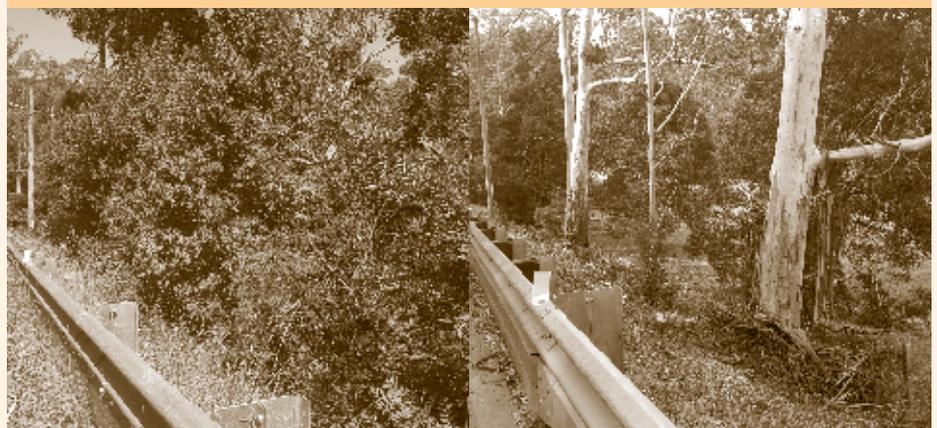
## Case study – StopPitt project helps to change the face of the southern Dandenongs

Landholder engagement and 'buy in' to any weed control project is important – in many situations it is crucial to the success of broader project objectives.

The StopPitt project was initiated in mid-2016 with a loose collective of landholders, community groups and organisations trying to control Sweet Pittosporum. However, much of this work was done in isolation and was fragmented.

Through \$230,000 funding from the Dandenong Ranges Environmental and Bushfire Reduction Grant, StopPitt has been about to strategically align the work to control of this weed so it is implemented in targeted geographical areas of the Southern Dandenongs.

90 private landholders and 10 public land sites joined together to mitigate the impacts of this weed on their bushland, helping StopPitt change the face of 296 hectares of land and six kilometres of previously densely infested roadside in the Dandenongs. These sites are now ready to be replanted with indigenous shrubs to increase soil stability and improve biodiversity.



*Before the StopPitt project weed control works*

*After the StopPitt project weed control works*

### Case study - Trust for Nature protects properties and connects people

In 2016, Trust for Nature (TFN) successfully obtained funding through the Dandenong Ranges Environmental and Bushfire Reduction Grant for their Protecting Properties, Connecting People project. The project aimed to assist at least 10 owners of covenanted properties in the Dandenong Ranges improve their biodiversity values and reduce bushfire risk by controlling high-threat weed species.

The Traditional Owners of the Dandenongs, the Wurundjeri Council, and their Our Country or Narrap team, were engaged to carry out the works.

The results of the project well exceeded original targets. 17 private properties covering more than 100 hectares in Yellingbo, Monbulk, Emerald, Olinda, Belgrave South, Selby and Lysterfield have now been treated. The Narrap team also had the opportunity to work on the Trust For Nature owned property, Kopelis, and Yarra Ranges Council's Butterfield Reserve.

The project has facilitated knowledge sharing between the Wurundjeri, TFN and private land holders whilst protecting some of the highest quality remnants of native vegetation and habitat on private land within the Dandenongs.



*Naarap's Darren Wandin cuts and paints Pittosporum undulatum (Sweet Pittosporum) on a covenanted property in Monbulk. Image: Annette Ruzicka*

*Trust for Nature's Isabella Amouzandeh discusses the details of a Weed Works Plan with the Naarap team. Image: Annette Ruzicka*

The Dandenong Ranges project actively engaged and collaborated with the Wurundjeri Council on the development and initiation of a new Indigenous enterprise, offering guided cultural tours in the Dandenong Ranges. The Bullen Bullen Walking Tours provided education, training and employment opportunities for the Wurundjeri people and generated \$12,260 in direct income from the business to date.

In addition, the Dandenong Ranges program administered and supported the Community Weed Alliance of the Dandenong's project to remove the highly invasive Wandering Trad from high priority waterways and cool temperate rainforests.

A range of information sessions, along with education and training events, were conducted to help build local knowledge and skills in weed control, bushfire fuel reduction and environmental land management practice.

#### Looking ahead

To build on the improvements to the environment and bushfire fuel reduction, the participants in this project have been encouraged to capitalise on the partnerships

formed between community, council and agencies, and between environmental groups and the local CFA brigades and community fireguards. The information and knowledge gained through education and training events has built local knowledge and capacity in local environmental action and bushfire fuel management that will see a legacy of improved management.

#### 2016-17 Performance Target

Delivery of activities and on-ground works that fulfil the commitments associated with the Dandenong Ranges project

#### Achievement



# Catchment Condition

## Context

This report provides a snapshot of some aspects of the environmental condition of the Port Phillip and Western Port region – the state of its biodiversity, waterways, land, coast, bays and community stewardship. It fulfills the Port Phillip & Westernport CMA's responsibility under the *Catchment and Land Protection Act 1994* to submit a report on the condition and management of land and water resources in its region.

## Regional overview

**Significant natural features:** Port Phillip Bay, Western Port, Phillip Island, Dandenong Ranges National Park, Yarra Ranges National Park, Brisbane Ranges National Park

**Major waterways:** Yarra River, Maribyrnong River, Werribee River, Edithvale-Seaford Wetlands (Ramsar-listed), Port Phillip Bay Western Shoreline and Bellarine Peninsula (Ramsar-listed), Dandenong Creek, Western Port (Ramsar-listed), Bunyip River, Lang Lang River, Bass River

**Traditional owner groups:** Wurundjeri Tribe Land Compensation and Cultural Heritage Council, Wathaurong Aboriginal Cooperative, Boon Wurrung Foundation, Bunurong Land Council Aboriginal Corporation



## Summary of the PPWCMA's view of trends

Biodiversity	Highly concerned ↓
Waterways	Neutral —
Land	Concerned ↓
Coasts	Concerned ↓
Port Phillip Bay and Western Port	Positive ↑
Community engagement and stewardship	Positive ↑

## The condition of biodiversity in this region

The extent and quality of native vegetation and habitat is a critical foundation for biodiversity. Past data from the Department of Environment, Land, Water and Planning indicated that approximately 500,000 hectares of native vegetation remains in this region, covering around 40 per cent of the land area. Around two-fifths of it is classified as 'endangered', 'vulnerable', 'depleted' or 'rare'.

One third of the native vegetation occurs in parks and conservation reserves while two-thirds is on other public and private land. Protection and maintenance of the vegetation on public land is important as it often provides large areas and long-term security for biodiversity. However, most of the region's native vegetation is on private land so there is a critical need for a system in which private landholders are able, willing and encouraged to protect native vegetation.

More information on native vegetation is available in the Regional Catchment Strategy at [ppwrms.vic.gov.au](http://ppwrms.vic.gov.au). The following table summarises the extent and quality of native vegetation in areas of the region.

Area	Extent	Quality
	(Area of native vegetation as a proportion of total area)	(% of native vegetation with quality score greater than 0.5, in a scale of 0-1)
Mornington Peninsula	28%	45%
Moorabool, Melton, Wyndham and Greater Geelong	39%	62%
Urban Melbourne	11%	24%
Macedon Ranges, Hume and Whittlesea	30%	46%
Yarra Ranges and Nillumbik	74%	85%
Casey, Cardinia and Baw Baw	33%	67%
Bass Coast, South Gippsland and Islands	31%	67%

In regard to native animals, the following table summarises an analysis of the likely persistence of native animal species using sighting records for amphibian, reptile, bird, mammal and fish species. The analysis is not about the health or extent of animal populations but rather the likelihood that a species observed in the past still occurs in an area.

The analysis was commissioned by the PPWCMA and undertaken by the Australian Research Centre for Urban Ecology in 2008. It accessed a large data set including some monitoring that has been continuous from the late 19th century. There are acknowledged limitations to the data and its analysis and the initial analysis is now nearing a decade old. More explanation and information is available in the Regional Catchment Strategy at [ppwrms.vic.gov.au](http://ppwrms.vic.gov.au).

Area	Known no. of species	Species likely to be persisting	
		No.	%
Mornington Peninsula	321	212	66%
Moorabool, Melton, Wyndham and Greater Geelong	400	290	73%
Urban Melbourne	447	327	73%
Macedon Ranges, Hume and Whittlesea	338	231	68%
Yarra Ranges and Nillumbik	346	259	75%
Casey, Cardinia and Baw Baw	340	231	68%
Bass Coast, South Gippsland and Islands	293	87	30%

Taking a broad perspective, the PPWCMA is highly concerned that the overall extent and condition of native vegetation in the region is reducing and that the diversity of native animal species is declining. Further, the PPWCMA is highly concerned that there is not an adequate system in place to accurately measure and monitor the situation.

PPWCMA view of trend in biodiversity condition	Highly concerned 
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Matters that contribute to loss and degradation of native vegetation in the region include:

- Incremental loss of vegetation through small-scale clearing at property level;
- Clearing of vegetation that is permitted for various reasons including for major urban and infrastructure development but for which there is a lag in the establishment of 'offsets' plus dubious certainty that the offsets are ever commensurate with the losses;
- Impacts of weeds, pest animals, recreation, overuse and other factors affecting the quality of native vegetation; and
- Illegal clearing.

There is a lack of monitoring for many of these factors so there is no accurate 'balance sheet' for the losses and gains in native vegetation. Adding to this, there is a lack of ground-truthed data on vegetation extent and quality across the region. The PPWCMA is concerned at a reliance on modelling of vegetation extent and quality, and that the gap between modelled data and the on-ground reality is wide and widening.

The lack of specific, ground-truthed data is also an important issue regarding the diversity and health of native animal species. A follow-up assessment of native animal diversity in this region is a priority as it would enable a comparison with the first assessment undertaken in 2008.

On the positive side, there has been an advance in the planning for biodiversity health with the release of *Victoria's Environment – Biodiversity 2037*. This strategy sets a direction for biodiversity improvement across Victoria and should generate improved funding and increased work in biodiversity protection, connecting community to nature, monitoring and reporting.

In this region, there are also many projects and activities undertaken each year by councils, government agencies, non-government organisations, Landcare groups and networks, community groups, individual property managers and others that protect and improve biodiversity. In 2016-17, projects that contributed to the protection and enhancement of native vegetation and native animals included:

- Parks Victoria's ongoing management of large areas of native vegetation in the many parks in this region.
- Ongoing work by the Trust for Nature establishing and maintaining covenants on private land to permanently protect high quality remnant vegetation. There are around 240 covenants established in the region protecting around 3,800 hectares of native vegetation.
- Major landscape revegetation programs including the Greening the West, Grow West and Greening the Maribyrnong programs that are progressively restoring degraded land to the west of Melbourne with extensive plantings of new native vegetation. These programs often have funding support from the Victorian and Australian Governments and are planned and implemented collaboratively by Councils, Government agencies, water authorities, community groups, volunteer groups and individual landowners.
- Environmental enhancement schemes in the Victorian Volcanic Plains in the west of the region involving the Hume, Melton and Wyndham Councils contributing to the protection and enhancement of grasslands and endangered species such as Spiny Rice Flower, Striped Legless Lizard and Golden Sun Moth.

- Projects led by the Department of Environment, Land, Water & Planning, Zoos Victoria and others to help threatened species by implementing actions at high priority locations to reduce the possibility of extinction in the wild and increase the likelihood of threatened species becoming self-sustaining in the long-term.
- Innovative initiatives by many Councils in urban areas including the City of Knox's 'Gardens for Wildlife' scheme and the City of Melbourne's urban forest initiative.
- Ongoing efforts by thousands of volunteers involved in Landcare, 'Friends' and other community groups to maintain and improve the biodiversity values of local parks, reserves and areas of private land.

### The condition of waterways in this region

There are many agencies, organisations, groups and community sectors that have a role in the protection and management of this region's waterways. The Department of Environment, Land, Water and Planning has led the development of Water for Victoria and the Victorian Waterway Management Strategy which establish the state-wide policy framework for water and waterway management. In the Port Phillip and Western Port region, Melbourne Water is the designated waterway management authority and 'caretaker of river health'. Melbourne Water has led development and implementation of the Healthy Waterways Strategy for this region which contributes to meeting the state-wide aims. The Environment Protection Authority, Councils, Parks Victoria, community groups and individual landowners also make very important contributions.

Melbourne Water's Yarra and Bay 2015-16 Report Card (available at [yarraandbay.vic.gov.au](http://yarraandbay.vic.gov.au)) provides the following overview of water quality for various areas in the region.

Area	Very good (high quality waterways) or Good (meets Victorian water quality standards)	Fair (some evidence of stress)	Poor (under considerable stress) or Very poor (under severe stress)	Overall rating	Trend over the past 15 years
Dandenong Catchment	2%	0%	98%	Very poor	Stable
Mornington Catchment	0%	0%	100%	Very poor	Stable
Yarra Catchment	33%	19%	47%	Poor (bordering on Fair)	Improving
Maribyrnong Catchment	0%	86%	14%	Fair	Improving
Werribee Catchment	0%	46%	54%	Poor (bordering on Fair)	Improving
Western Port Catchment	21.3%	34.9%	56.2%	Poor	Stable

The assessments reflect the profound impacts that the extensive urbanisation and intense rural land use that exist in this region can have on water quality. A pattern across the region is that sites in forested parks in upper catchment areas are protected from development and achieve 'Very Good' and 'Good' scores. Water quality declines as waters flow from the rural middle catchment and pass through more developed or urbanised areas in the lower catchment. Rural sites in the middle of catchments where nutrients and sediments enter waterways through runoff from farmland and when stock damage creeks and river banks are typically 'Fair'. In urban areas 'Poor' and 'Very Poor' water quality scores result from inputs of nutrients and pollutants in runoff from residential, commercial and industrial areas, roads and other hard surfaces, particularly in small tributaries.

It is recognised that water quality is only one of the factors to assess the health of streams in the region. The Healthy Waterways Strategy therefore also aims to protect and enhance habitat, flows, connectivity and physical form to support a range of waterway-dependant values including birds, frogs, fish, platypus, macroinvertebrates, vegetation and amenity. Actions to achieve this include revegetation projects, stormwater harvesting, mitigation and treatment projects, community capacity building and grants programs.

Melbourne Water's development of a new Healthy Waterway Strategy, combined with a stable funding process, provides a sound platform for potential improvement in the future, though there are significant challenges associated with continued urbanisation and population growth.

PPWCMA view of trend in waterways	Neutral 
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Projects and activities undertaken by Melbourne Water, retail water authorities, councils, government agencies, non-government organisations, Landcare groups and networks, community groups, individual property managers and others that helped to protect and improve waterways, wetlands and water quality in 2016-17 included:

- Extensive works by Melbourne Water including establishment of vegetation along 225 kilometres of waterways, vegetation management along 1852 kilometres of waterways, 95 hectares of aquatic habitat improvement, 73 kilometres of stock exclusion fencing along waterways and removal of three fish barriers;

- Grants to local government to support sustainable stormwater management with activities such as design and construction of stormwater treatment systems and harvesting schemes, planning, stormwater investigations, monitoring and the preparation of communication material and education programs;
- Grants through Melbourne Water's River Health Incentives Program to farmers, community groups and land management agencies to protect and improve waterways and water quality.
- Coordination of Waterwatch, a citizen science program that encourages communities to help with monitoring,

- protecting and enhancing the health of our local rivers and creeks, in which nearly 9,000 people participated in 2016-17 including the Frog Census, Platypus Census, Waterbug Census and stream water quality testing; and
- Management by Melbourne Water, on behalf of the Victorian Environmental Water Holder, of the environmental water reserve for the river systems of Port Phillip and Western Port catchments, primarily the Yarra, Werribee and Tarago which included delivery of over 51.2 megalitres of environmental flows.

### The condition of land in this region

Land value in the Port Phillip and Western Port region is estimated to total over \$870 billion which is 83 per cent of Victoria's total rateable land value (ABS, 2012). Only around 24 per cent of the land is residential but it has a total value of around \$770 billion (ABS, 2012).

The value of this region's primary production is estimated at \$17 billion (ABS, 2012). This is the highest of the ten catchment management regions in Victoria despite it having the second smallest area of land use for agriculture. This reflects the intensive, high value farming that occurs in and around Melbourne in a variety of agricultural industries.

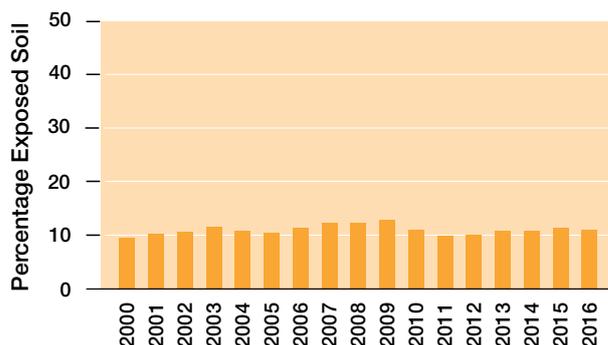
Land and soil across the region is considered to be in fair condition overall. Relatively high average rainfall for the region enables much of the region's soil to retain vegetation cover, as seen in the graph below. This means there is relatively low risk of widespread soil erosion. The higher rainfall and irrigation areas support high-yield agriculture where soil maintenance is a priority for most landowners. Lower rainfall areas, generally in the west of this region, can be more susceptible to soil erosion, soil quality decline and pest infestations.

However, there are a number of significant factors that impact the condition of land and landscapes in this region including:

- Continued expansion of the urban area, with new housing and associated infrastructure reducing the area of productive agricultural land, decreasing biodiversity and green space, and introducing a range of new impacts to adjoining rural properties;
- High farming intensity on some areas of land;
- The introduction and spread of weeds and pest animals decreasing soil health, productivity, profitability and land resilience;
- Removal and fragmentation of native vegetation and habitat across the region;
- Climate variations, including drought, impacting on soil and native vegetation resilience and health; and
- Some land management practices leading to increased risk of soil erosion, reduced primary production outputs and a decrease in soil carbon sequestration.

From a broad perspective, the PPWCMA is concerned that the health and resilience of the land and landscapes in the region is declining. The PPWCMA is particularly concerned regarding the ongoing conversion of productive agricultural land to urban use.

**The percentage of exposed soil in the Port Phillip and Western Port region between 2000 and 2016 (Australia's Environment Explorer 2016)**



PPWCMA view of trend in land condition	Concerned 
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On the positive side, there are many projects and activities undertaken across this region by councils, government agencies, non-government organisations, Landcare groups and networks, community groups, individual property managers and others that seek to protect and improve land health. In 2016-17, this work included:

- Various projects with agricultural industry groups and farmers to improve sustainable land management practices including trials in the use of compost under grapevines and cultivation practices in the vegetable industry;
- A project led by the Western Port Catchment Landcare Network using on-farm demonstrations and trials to support hundreds of farmers to increase their knowledge and adoption of innovative farming practices that could improve productivity and natural resource condition; and
- Land management grants and rate rebate schemes by Councils such as the Hume City Council's 'Conserving our Rural Environment' grants and 'Agricultural Land Use Rebate'. In 2015-16, the Council awarded grants totalling around \$310,000 to landholders to conserve and improve rural land and the natural environmental assets on private property. The council also approve a rate rebate for 296 landowners, equating to over \$670,000, addressing land management issues including noxious weed control and pest animal control on their agricultural properties.

### The condition of coastal areas in this region

The 600 kilometres of coastline in this region has diverse habitats and values and is heavily visited and used. Much of the coast has been impacted by urban development, coastal settlement, high levels of recreational use and invasive species. The amount and quality of native vegetation, as indicators of the environmental value of the coastal zone, is summarised in the Regional Catchment Strategy (available at [ppwrcc.vic.gov.au](http://ppwrcc.vic.gov.au)) and shown in the table below.

Coastal zone	Approx. length (km)	Average width (m)	Approx. area (Ha)	Area of native vegetation (Ha)	Proportion of zone with native vegetation (%)
Phillip Island ocean	42.3	258	1,091	922	85
Phillip Island bay	36.9	120	443	52	12
French Island south	23.6	342	807	693	86
French Island north	40.4	349	1,411	1,293	92
Western Port east	55.3	141	778	556	71
Western Port north	40.4	451	1,821	1,338	73
Hastings	22.9	460	1,053	662	63
Sandy Pt to Flinders	33.1	435	1,440	1,121	78
Flinders to Pt Nepean	45.5	451	2,050	1,782	87
Port Phillip Bay eastern beaches	115.5	83	959	440	46
Port Phillip Bay north western shoreline	60.1	446	2,681	1,505	56
Geelong	22.6	54	121	33	27
Corio Bay south	35.1	100	351	210	60
Swan Bay	36.2	931	3,369	725	22
Queenscliffe	7.1	106	75	52	69
<b>Total</b>	<b>617</b>	<b>299</b>	<b>18,454</b>	<b>11,384</b>	<b>62</b>

From a broad perspective, the PPWCMA is concerned that the overall environmental condition of coasts in the region is reducing. Further, the PPWCMA is concerned that there isn't a consistent approach to measuring coastal condition and there isn't a monitoring program in place to assess change over time. This situation may be improved through the development of a new Marine and Coastal Act in the near future.

PPWCMA view of trend in coastal condition	Concerned 
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However, there are many organisations that undertook work in 2016-17 that contributed to the health of the coasts including:

- Protection and renourishment of some threatened beaches and foreshores by the Department of Environment, Land, Water and Planning and some councils, including at Middle Park beach, Brighton beach, Rye beach and Rosebud beach;
- Ongoing implementation of a 'Ramsar Protection Program' directing funds from the Australian and Victorian governments to priority works by Parks Victoria, Councils, Phillip Island Nature Parks, community groups and others to control pests, protect native vegetation and raise community awareness of the values of Ramsar wetlands;
- Management of coastal areas by various community-based foreshore committees of management including weed management, fencing, erosion management and revegetation with native species; and
- The Coastal Assets Protection Program by the Department of Environment, Land, Water and Planning to identify built assets at risk from climate change impacts.

### The condition of Port Phillip Bay and Western Port

Port Phillip Bay and Western Port are significant environmental, social and economic assets in this region.

The bays are both generally healthy systems. However, risks to their condition include climate change, increased recreational use, litter, nutrients, sediment and pollutant loads and extreme weather events such as storms and peak rainfall events which transport nutrients and pollutants from rivers and drains into the bays over short periods of time.

The State of the Bays 2016 report by the Victorian Commissioner for Environmental Sustainability (available at [ces.vic.gov.au](http://ces.vic.gov.au)) reported on the condition of water quality, intertidal vegetation, water and shore birds and carbon sequestration for the bays and includes the information summarised below.

	Port Phillip Bay	Western Port
Coastline	333 km	295 km
Total area	1,930 km <sup>2</sup>	680 km <sup>2</sup>
Average depth	13 m	3 m
Greatest depth	24 m	6 m
Catchment area	9,790 km <sup>2</sup>	3,721 km <sup>2</sup>
Catchment population	4.5 million people	45,000 people

Water quality monitoring in the bays is one of the most complete environmental monitoring programs in this region. For a number of years, the Environment Protection Authority, in partnership with Melbourne Water, has undertaken water quality monitoring at fixed sites in Port Phillip Bay and Western Port. During the summer season, the Environment Protection Authority also issues beach advisory alerts to inform public recreational users across Port Phillip Bay. Of the 36 beaches monitored between 2013 and 2016, 94-97 per cent met the State Environment Protection Policy (Waters of Victoria) objectives for swimming. Water quality is assessed by monitoring a range indicators including: nutrient levels, water clarity, dissolved oxygen, salinity, algae, metals, water temperature and faecal contamination. The table below summarises water quality condition for Port Phillip Bay and Western Port.

Water Quality Indicator	Port Phillip Bay	Western Port
Water quality	Good	Poor
Phytoplankton levels	Good	Poor
Sediment contamination	Fair	Fair
Other indicators	Good	Good

Intertidal vegetation across the bays is predominantly comprised of mangroves, saltmarsh and seagrass. Since European settlement, Port Phillip Bay has retained 50 per cent of its saltmarsh area and Western Port has retained 90-95 per cent though sea level rise is causing fragmentation to saltmarsh communities. During the last major drought (1997-2009), Port Phillip Bay lost large areas of seagrass. Seagrass in Western Port declined between the mid-1970s to 1984 but then increased in the mid-1990s to 1999. The table below provides an overall assessment of these three intertidal habitats:

Habitat	Port Phillip Bay	Western Port
Saltmarsh	Fair	Fair
Mangrove	Good	Fair
Seagrass extent	Fair	Fair

Available bird data focuses on roosting shore birds for Port Phillip Bay and water birds for Western Port. Over the past 20 years, roosting shore birds have been declining globally and this pattern is seen in Port Phillip Bay. From 1981 to 2010, 16 migratory roosting shore bird species were monitored during the summer season along the western shoreline. Of these, 10 species have exhibited significant population decline. Similarly, several Western Port water bird species have experienced serious declines including terns, cormorants and the Australian pelican.

Bird	Port Phillip Bay	Western Port
Roosting shore birds	Fair	NA
Water birds	NA	Fair

The PPWCMA is of the view that the condition of Port Phillip Bay and Western Port is generally improving and that continued improvement is likely into the future.

PPWCMA view of trend in condition of bays	Positive 
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There are many agencies, organisations, groups and community sectors that have a role in the protection and management of water quality in Port Phillip Bay and Western Port. The Environment Protection Authority has led the development of State environment protection policies (SEPPs) for both bays which establish targets for various parameters of water quality and works in partnership with Melbourne Water to monitor water quality outputs into both bays. DELWP, Parks Victoria, Melbourne Water, councils and thousands of individual land managers also make very important contributions to the management and protection of the bays.

Many of these organisations undertook work in 2016-17 that contributed to understanding and improving the health of the bays including:

- Melbourne Water's Western Port environment scientific review to understand the health of Western Port and to inform future investment to protect and improve the bay's health;
- Management of the marine parks and sanctuaries in Port Phillip Bay and Western Port by Parks Victoria to maintain biodiversity values;
- The Department of Environment, Land, Water & Planning's Port Phillip Bay Fund assigning \$3.57 million to 36 new projects to be delivered by community groups and organisations to protect the health of Port Phillip Bay and the wider catchment area;
- Environment Protection Authority's ongoing work aimed at reducing the amount of pollutants entering waterways and bays from rural, urban and coastal areas; and
- The Nature Conservancy's work to restore Port Phillip Bay's shellfish reefs.

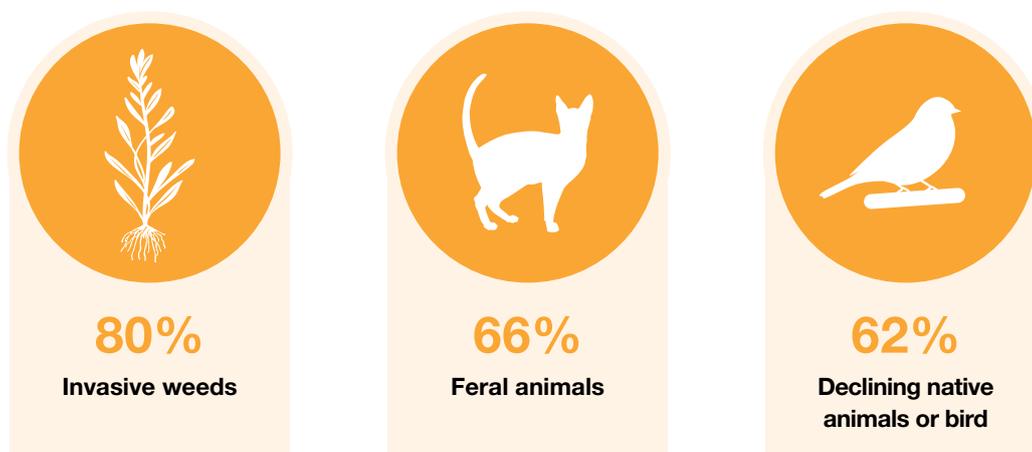
### Community engagement and stewardship

Continuing population growth generates challenges for natural resource management in this region. During 2015-16, Melbourne had the largest (107,800 people) and fastest growth rate (2.4 per cent) across all Australian capital cities. Five of Melbourne's outer suburbs ranked in Australia's top 10 largest growth suburbs - South Morang in the city's north, Cranbourne East in the south-east, Craigieburn-Mickleham in the north, Point Cook in the west and Epping.

With an increased population using and impacting on natural resources, a priority of the Victorian Government's new Biodiversity 2037 plan is to create opportunities for communities to better connect with their local natural areas and to identify understand the issues that must be addressed into the future.

The top three community concerns about environmental health relate to invasive weeds, feral animals and declining numbers of native animals (from Regional Wellbeing Survey 2015, available at [regionalwellbeing.org.au](http://regionalwellbeing.org.au)) though the survey results need to be interpreted with caution due to the small sample size in a region with a population of 4.5 million people.

### COMMUNITY CONCERNS Top three



Perceived environmental health measures in the Port Phillip & Western Port region 2015 (Source: Schirmer et al., 2016).

There are many agencies, organisations, groups and community sectors that engage with community sectors to improve the community's connection with nature and to build a strong stewardship ethos. Councils, the Department of Environment, Land, Water & Planning, Melbourne Water, Parks Victoria and others make very important contributions.

The Landcare movement in this region includes 85 Landcare groups and 13 networks that together cover 83 per cent of the region's rural

land area and directly involve around 3000 landowners managing 2000 properties. The 2015-16 Port Phillip & Western Port Landcare Report Card indicated that around 50,000 hours of volunteer time were provided for Landcare activities in that year. This work achieves significant benefit for natural resources every year and the Landcare movement also provides significant additional benefits by educating the broader community, fostering resilient communities and engaging the youth of today to be the environmental leaders of tomorrow.

The Landcare movement in rural areas is complemented by hundreds of similar volunteer groups operating in urban and peri-urban areas such as 'Friends of' groups and committees of management that work in coastal areas.

From a broad perspective, the PPWCMA is of the view that the participation and stewardship by the region's natural resource management community is generally strong and improving, and that continued improvement is likely into the future.

PPWCMA view of community participation and stewardship

Positive



### Summary of project outputs in 2016-17

The PPWCMA directed funds from the Victorian Government, Australian Government and other sources to numerous priority projects across the region in 2016-17. Outputs collectively achieved with these funds included:

- 11.5 kilometers of fencing;
- 794 hectares of new vegetation established;
- 3,622 hectares treated to manage weed infestations;
- 24,840 hectares treated to manage pest animals;
- 32 hectares with environmental fire regime;
- 13,661 hectares with changed agricultural practices;

- 182 management agreements in place;
- 10,462 participants at various community and stakeholder events;
- 203 partnerships;
- 10 plans produced; and
- 11 publications produced.

### Key challenges for management

A perennial challenge in this region is the large number of land managers and planning authorities which each have a stake in the management of natural resources. The large number of organisations and high population means there are significant resources dedicated to environmental management but coordination between the many players is difficult.

Other significant challenges in the management of land, water and coastal resources in this region have been:

- Continuing rapid population growth and associated large scale land use change on the metropolitan fringe which often requires trade-offs between social, economic and environmental values; and
- Climate change impacts which continue to present new threats and uncertainties for natural resource management and planning.

In response, the PPWCMA has focused on enhancing collaborative environmental planning, monitoring and reporting in this region. It has coordinated development of the Regional Catchment Strategy so it includes specific, measurable environmental targets and identifies organisations that have agreed to play leadership and collaborative roles in efforts to attain these targets.

# Business and Culture

**High standards of business management and governance achieved**

The Port Phillip & Westernport CMA strives for best practice business management, high standards of corporate governance, efficient delivery of its programs and excellent levels of health and wellbeing of its employees.

## Governance

The PPWCMA Board is a skills-based board with eight members at the end of the 2016-17 year, including the Chair. During 2016-17, the Board reported to the Hon. Lisa Neville MP, Minister for Water and the Hon. Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change.

The membership and qualifications of the Board are summarised on Page 7.

## Board meetings

Six PPWCMA Board meetings were held during 2016-17. The attendance of Board members at the meetings is summarised in the following table:

Board member	Board meetings attended
Neville Goodwin (Chair)	6/6
Jane Jobe (Deputy Chair)	6/6
Greg Aplin	4/6
Sarah Ewing	5/6
Allan Bawden	5/6
Moragh Mackay	3/6
Susan Anderson	6/6
Virginia Wallace	5/6
Jacquelyn Ross <sup>-</sup>	0/1

<sup>-</sup> Resigned on 23rd August 2016

**Employee engagement at 87% in 2016-17, well above the sector average**

The PPWCMA Board completed a Board performance review for 2015-16 and submitted a report to the Minister for Water in August 2016.

As part of that process, the Board identified professional development opportunities for Board members to strengthen individual performance and the overall performance of the Board.

## PPWCMA Board committees

A number of committees, established by the Board, made important contributions to the governance and compliance of the PPWCMA in 2016-17. These committees each have a chair and a charter approved by the Board and report to the Board at each Board meeting. The membership and charter of each committee is reviewed on a regular basis.

**The Business and Remuneration Committee** met on three occasions in 2016-17. The items addressed by the Committee included development of the CEO Work Performance Plan, mid-year and end-year assessment of CEO performance, development of advice to the Board regarding CEO remuneration, planning of the Board's annual performance assessment and oversight of the PPWCMA's compliance with government policy.

Membership and attendance at Business and Remuneration Committee meetings is detailed in the table below:

Member	No. of meetings attended	Independent member
Neville Goodwin (Chair)	3/3	Yes
Sarah Ewing	2/3	Yes
Allan Bawden	3/3	Yes
Virginia Wallace	3/3	Yes

**The PPWCMA will enter 2017-18 in a stable financial position**

**The Audit Committee** met on five occasions in 2016-17. The key items addressed included planning and oversight of internal audit projects, oversight of implementation of the PPWCMA's annual financial statements and review of compliance with the Financial Management Compliance Framework and Tax Compliance Framework.

Membership and attendance at Audit Committee meetings is detailed in the table below:

Member	No. of meetings attended	Independent member
Barry Hughes (Chair to 31st August 2016) <sup>^</sup>	2/2	Yes
John Rundell (Appointed and Chair from 1st Sep 2016)	3/4	Yes
Jane Jobe	5/5	Yes
Allan Bawden	4/5	Yes
Susan Anderson <sup>*</sup>	4/4	Yes
Virginia Wallace <sup>*</sup>	4/4	Yes
Jacquelyn Ross <sup>-</sup>	0/1	Yes

<sup>-</sup> Resigned as a Board member and Audit Committee member on 23rd August 2016

<sup>\*</sup> Appointed to the Audit Committee on 22nd August 2016

<sup>^</sup> Barry Hughes resigned as Chair and member of the Audit Committee

The PPWCMA Audit Committee undergoes an annual performance review and as part of this process identifies any professional development opportunities for members to strengthen individual performance and the overall performance of the committee. The outcome of the review is reported to the PPWCMA Board.

Barry Hughes is a Chartered Accountant, Registered Company Auditor in public practice, and a partner in a firm in Wonthaggi. He has extensive experience in the computer, printing and personnel recruiting and labour hire industries in New Zealand, the United Kingdom and Australia. Barry has had responsibilities in financial and management accounting, marketing, sales, general management and was the financial director of a significant private company. He previously served a three-year term as Chair of the Audit Committee for the Bass Coast Shire Council.

John Rundell is a Chartered Accountant and Managing Director of Stratica, a risk consulting firm and qualified security assessor with offices in Melbourne, Sydney and Hong Kong. He has degrees in engineering, economics (with a major in accounting) and law. He is a former partner of KPMG, working globally, particularly in Asia. John has over 30 years' experience in accounting across both the public and private sectors. He is an accredited mediator and arbitrator, listed on the panels of numerous international arbitration centres. He was Chair of the Risk and Audit Committee of the Victorian Department of Environment, Land, Water and Planning for six years until October 2016. He is currently on the Board of Film Victoria and the Victorian Healthcare Association where he also chairs their audit and risk committee.

**The Regional Catchment Strategy Steering Committee** met six times in 2016-17. The Committee's major focus was the development of a five-year plan for the PPWCMA to advance the Regional Catchment Strategy (RCS). This involved a half-day workshop with the Board in November 2016 and ongoing consultations with RCS partners. The plan was adopted by the Board at its meeting in April 2016.

The RCS Committee comprised of three Board members in 2016-17; Sarah Ewing, Greg Aplin and Moragh Mackay. Board member Susan Anderson also assisted with the RCS Advancement Plan.

A **Community Grants Assessment Panel** met once in 2016-17 to assess the applications submitted for the PPWCMA Community Grants and develop a recommendation to the Port Phillip & Westernport CMA Board. Susan Anderson was the Board member on the panel for 2016-17.

### Internal audit

Since its formation, the PPWCMA has engaged external professionals to undertake the role of internal audit. Reviews undertaken in recent years dealt with exposure to fraud, risk management framework, compliance with the Statement of Obligations, business operations, financial management, project management, statutory compliance, community engagement, stakeholder engagement and strategic planning.

All reviews have consistently reported that the PPWCMA maintains a high standard of governance and risk minimisation. Recommendations from all reviews are recorded in a register and their implementation is monitored by the Audit Committee.

### Risk management

Processes for the identification, reporting and monitoring of risks at the PPWCMA are practical and effective. Risk identification and management is a standing agenda item on many meeting agendas including Board, committee and employee meetings.

The PPWCMA Audit Committee undertakes an internal review of the risk management framework on a bi-annual basis and internal audit reviews are undertaken on a regular basis, the most recent completed in February 2017. Results of these reviews are reported directly to the Audit Committee prior to submission to the Board.

The PPWCMA's overall risk profile is low with the highest ranked risk associated with the funding levels from government. The Board plays an active role in managing these risks.

The following Risk Management Attestation is made on behalf of the PPWCMA:

### Attestation for compliance with Ministerial Standing Direction 3.7.1

The PPWCMA Board certify that the Port Phillip and Westernport Catchment Management Authority has complied with the Ministerial Standing Direction 3.7.1 – Risk Management Framework and Processes. The PPWCMA Audit Committee has verified this.



Neville Goodwin  
Chair, PPWCMA Board  
21st August 2017

### Compliance

#### Corporate Plan and Annual Report

The PPWCMA Corporate Plan articulates key result areas against which performance can be measured. The PPWCMA Corporate Plan for 2016-17 was submitted to the Hon. Lisa Neville MP, Minister for Water, in April 2016. A copy of the Corporate Plan can be found at [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au)

The PPWCMA Annual Report for 2015-16 was tabled in Parliament by the Minister for Environment and Climate Change on 11 October 2016. A copy can be found at [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au)

## Statement of Obligations

A Statement of Obligations, issued under the *Catchment and Land Protection Act 1994* to the PPWCMA by the Minister for Environment and Climate Change, was in place for the 2016-17 year. No instances of non-compliance were identified during the year.

## Compliance with the Catchment and Land Protection Act 1994

The PPWCMA fully complies with the *Catchment and Land Protection Act 1994*.

## Protected Disclosure Act 2012

The *Protected Disclosure Act 2012* (the Act) enables people to make disclosures about improper conduct within the public sector without fear of reprisal. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

Under the Act, the independent Broad-based Anti-corruption Commission of Victoria (the IBAC) has a key role in receiving, assessing and investigating disclosures about improper conduct and detrimental action taken in reprisal for a disclosure by public bodies or public officers.

Disclosures to the IBAC can be made in person, by phone, in writing or via email. More information is available at [ibac.vic.gov.au](http://ibac.vic.gov.au)

The PPWCMA has developed a Protected Disclosure Procedure which can be found at [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au)

The PPWCMA has not been notified of any protected disclosures during 2016-17.

## DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, all data tables included in this Annual Report will be available at [data.vic.gov.au](http://data.vic.gov.au) in machine readable format.

## Freedom of Information

The *Freedom of Information Act 1982* provides the community the right to access, as far as possible, information held by the Victorian Government. There were no Freedom of Information requests received by the PPWCMA during 2016-17.

Information on what the PPWCMA does in relation to the *Freedom of Information Act 1982*, how it acts, what information it holds and how to access the information is available in the Part II Information Statement, published on [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au)

Further information regarding Freedom of Information can be obtained by emailing [enquiries@ppwcma.vic.gov.au](mailto:enquiries@ppwcma.vic.gov.au) or calling 03 8781 7900.

### Freedom of Information requests

Requests for access to information and documents can be made in writing by submitting the Freedom of Information Access Request Form along with the application fee. This form is available to download at [ppwcma.vic.gov.au](http://ppwcma.vic.gov.au) From 1st July 2017 the application fee is \$28.40.

The request should be addressed to:  
Port Phillip & Westernport CMA  
Freedom of Information Officer  
Level 1, 454 – 472 Nepean Hwy  
FRANKSTON, VIC, 3199

## Consultancies

In 2016-17 the PPWCMA did not engage any consultancies.

## Compliance with the Building Act 1993

The PPWCMA leases all its office spaces and does not manage any buildings. Therefore it is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993*.

## Government advertising expenditure

The PPWCMA has incurred nil government advertising expenditure for 2016-17.

## Capital projects

The PPWCMA has not undertaken any capital projects during 2016-17.

## Information and Communication Technology (ICT) expenditure

For the 2016-17 reporting period, the PPWCMA had a total ICT expenditure of \$170,951, with the details shown below:

Business As Usual (BAU) ICT expenditure Total	Non-Business As Usual (non-BAU) ICT expenditure Total = A + B	Operational expenditure A	Capital expenditure B
\$170,951	\$0	\$0	\$0

"ICT expenditure" refers to the PPWCMA's costs in providing business-enabling ICT services. It comprised "Business As Usual" (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure.

"Non-BAU ICT expenditure" relates to extending or enhancing the PPWCMA'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.

### Information privacy

The PPWCMA values and protects the privacy of all groups and individuals it deals with. The PPWCMA has a privacy policy in place that complies with the *Privacy and Data Protection Act 2014 (Vic)*. All personal information collected by the PPWCMA is held securely and any disclosures are handled in accordance with the ten Information Privacy Principles.

### Victorian Industry Participation Policy Act 2003

This policy is applied when tenders are let of greater than \$1 million in regional Victoria and \$3 million in metropolitan Melbourne. The PPWCMA did not let any tenders of this scale in 2016-17.

### National Competition Policy compliance

Competitive neutrality seeks to enable fair competition between government and private sector business. Any advantages or disadvantages that government businesses may experience, simply as a result of government ownership, should be neutralised. The PPWCMA continues to implement and apply this principle in its business undertakings.

### Significant changes in financial position

There were no matters which changed the PPWCMA's financial position in 2016-17.

### Significant changes or factors affecting performance

There were no significant changes or factors which affected the PPWCMA's performance during 2016-17.

### Disclosure of major projects

The PPWCMA did not award any major contracts (valued at \$10 million or more) in 2016-17.

### Industrial relations

No time was lost in 2016-17 due to industrial accidents or disputes.

### International travel

There was no international travel undertaken by PPWCMA Board members or employees acting on behalf of the PPWCMA during 2016-17.

### Community inclusiveness and diversity

The PPWCMA is committed to improving the quality of service delivery to culturally and linguistically diverse communities and values community inclusiveness. The PPWCMA's approach is consistent with the Victorian Government Community Inclusiveness Circular of 2009 relating to culturally and linguistically diverse backgrounds, women, youth and indigenous affairs.

### Board gender balance data

The gender balance of the PPWCMA Board, as at 30th June 2017, is shown in the table below:

Board members	2016-17	2015-16
Male	3	3
Female	5	6
<b>Total</b>	<b>8</b>	<b>9</b>

### Employment and conduct principles

The PPWCMA applies the Victorian Government's Public Sector Employment Principles, as described in the *Public Administration Act 2004*. The PPWCMA ensures this by:

- Adopting policies and procedures that are consistent with the public sector employment principles;
- Promoting the PPWCMA values, which are consistent with the public sector values;
- Requiring employees to operate under a Code of Conduct which is consistent with the public sector code of conduct;
- Providing regular employment obligations refresher training which focuses upon equal employment opportunity, human rights and the Code of Conduct;
- Ensuring that induction training focuses upon equal employment opportunity, human rights and the Code of Conduct; and
- Applying merit and equity principles when recruiting employees. Internal and external recruitment selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of key selection criteria and accountabilities without discrimination.

## Workforce Data as at 30th June 2017

	as at 30th June 2017							as at 30th June 2016						
	All employees		Ongoing			Fixed term & casual		All employees		Ongoing			Fixed term & casual	
	H/C	FTE	Full time	Part time	FTE	H/C	FTE	H/C	FTE	Full time	Part time	FTE	H/C	FTE
			H/C	H/C						H/C	H/C			
<b>Gender</b>														
Male	11	10.62	8	2	9.62	1	1	10	9.62	8	2	9.62	-	-
Female	9	7.03	4	5	7.03	-	-	9	6.83	3	5	5.83	1	1
<b>Age</b>														
15-24	-	-	-	-	-	-	-	0	0	-	-	-	-	-
25-34	2	1.6	1	1	1.6	-	-	2	1.4	1	1	1.4	-	-
35-44	10	8.8	6	3	7.8	1	1	9	7.8	5	3	6.8	1	1
45-54	5	4.43	3	2	4.43	-	-	5	4.4	3	2	4.43	-	-
55-64	3	2.82	2	1	2.82	-	-	3	2.8	2	1	2.82	-	-
65+	-	-	-	-	-	-	-	0	0	-	-	1	-	-
<b>Classification</b>														
Executive	1	1	1	-	1	-	-	1	1	1	-	1	-	-
Manager	4	3.45	2	2	3.45	-	-	4	4.4	2	2	3.45	-	-
Other	15	13.2	9	5	12.2	1	1	14	21.8	8	5	11	1	1
<b>Senior employees*</b>														
\$180,000-\$199,999	1	1	1	-	1	-	-	1	1	1	-	1	-	-
<b>Total</b>	20	17.65	12	7	16.65	1	1	19	16.4	11	7	15.4	1	1

### Notes:

H/C = headcount

\* Senior employees are classified as those that receive more than \$149,188 base salary (maximum of the Victorian Public Sector Band 6).

### Availability of other information

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below are available from the PPWCMA upon request, subject to the provisions of relevant legislation and policies including the *Privacy and Data Protection Act 2014 (Vic)* and the *Freedom of Information Act 1982*.

- Details of publications produced by the PPWCMA about itself;
- Details of major promotional, public relations and marketing activities undertaken by the PPWCMA to develop community awareness of the entity and its services;
- A statement that declarations of pecuniary interests have been duly completed by all relevant officers of PPWCMA;
- Details of any major external reviews carried out in respect of the operation of PPWCMA;
- Details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the report of operations; and
- A statement of the extent to which the PPWCMA committees' purposes have been achieved.

### Information that is not applicable to the PPWCMA

- Details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary;
- Details of major research and development activities undertaken by the PPWCMA (none were undertaken in 2016-17); and
- Details of changes in prices, fees, charges, rates and levied charged (none charged in 2016-17).

The information is available on request from:  
**Carolyn Nicholson**  
 Business and Governance Manager  
 Phone: 03 8781 7900  
 Email: enquiries@ppwcma.vic.gov.au

### Maintaining a healthy organisational culture

#### Workplace health and safety

The PPWCMA is committed to a Workplace Health and Safety (WH&S) framework that reduces workplace injuries and improves the health and well-being of the employees. The WH&S framework includes:

- A comprehensive WH&S Policy, Committee Charter, Procedure Manual and Strategy;
- A WH&S Committee that meets at least quarterly and conducts regular workplace inspections;
- A WH&S induction for all new employees and refresher training for existing employees;

- A proactive Health and Wellbeing Program; and
- Providing a culture and environment where employees are actively encouraged to report and be involved in the resolution of all hazards, incidents and injuries.

In 2016-17 the PPWCMA led a state-wide desktop review of Victorian Catchment Management Authority workplace health and safety systems. This strategic work will contribute to improving workplace health and safety across the state. In 2017-18, the PPWCMA will make improvements that were identified through this review.

### WH&S performance indicators

Measure	Indicator	2016-17	2015-16	2014-15
Hazards	Hazards identified	1	0	1
	Rate per 100 FTE	5.7	0	6.2
Incidents	No. of incidents	2	6	3
	Rate per 100 FTE	11.3	36.6	18.6
Injuries	No. of injuries	3	1	4
	Rate per 100 FTE	17	6.1	24.8
WorkCover claims	Number of standard claims	0	0	0
	Rate per 100 FTE	0	0	0
	Number of lost time standard claims	0	0	0
	Rate per 100 FTE	0	0	0
	Average cost per standard claim	\$0.00	\$0.00	\$0.00
	Number of minor claims	0	0	0
Fatalities	Fatality claims	0	0	0
WH&S Committee	Meetings	4	6	5
	Site inspections	4	6	5

## Workplace culture

The PPWCMA and its employees are guided by, and committed to, its organisational values. In 2016-17 employees reviewed the organisational values resulting in a set of four aspirational values which are Collaboration, Leadership, Creativity and Reliability.

Each year the PPWCMA participates in the People Matter Survey, conducted by the Victorian Public Sector Commission. This survey enables employees to provide confidential feedback on how they experience the organisation as a place to work, and is an important measure the PPWCMA uses to understand employee engagement and satisfaction.

In 2017 the PPWCMA received a participation rate of 100 per cent. The 2017 results were particularly strong, indicating that overall staff continue to be highly engaged and satisfied. Accountability is the biggest area of concern for employees this year.

## Engagement index

The Employee Engagement Index measures the PPWCMA's employees' sense of pride, attachment, inspiration, motivation and advocacy as it relates to the PPWCMA. In 2017 the PPWCMA had an Employee Engagement Index of 87 per cent, which has remained unchanged since 2016. This is higher than our comparator group\* average of 73 per cent and the public sector average of 71 per cent.

## Job satisfaction

The level of overall job satisfaction in 2017 has slightly increased to 80 per cent, from 79 per cent in 2016.

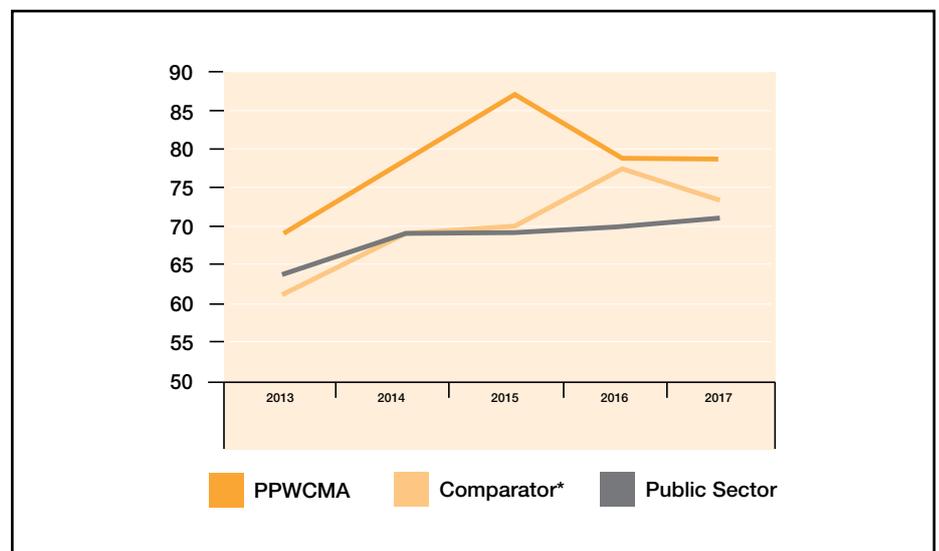
### Outlook for 2017-18

The PPWCMA will enter 2017-18 in a stable financial position. The corporate allocation from the Victorian Government is secure and additional revenue is in place associated with our support for Landcare, the *Our Catchments Our Communities* initiative and protection of Ramsar wetlands. A number of Australian Government-funded projects will enter the last of their five-year funding arrangements, and we expect to negotiate a new package of projects during this year to begin in 2018-19.

The PPWCMA will strive for continuous improvement in all aspects of the business and maintain a focus on its values and the continuing professional development of employees and Board members.

## 2016-17 performance targets

Target	Achievement
Submit a Board Performance Assessment Report according to any guidelines issued	✓
A risk management strategy/plan approved by the Board and being implemented	✓
One hundred percent of the Port Phillip and Westernport CMA's policies reviewed and approved by the Board every three years	✓
Full compliance with all applicable Standing Directions under the Financial Management Compliance Framework Checklist	✓ See page 10



\*Comparator group includes other Victorian CMAs that undertook the People Matter Survey in a particular year.

# Financial Report

## Table of contents

What are financial statements?	57
Summary of performance	57
Five year summary of PPWCMA finances	57
Financial Statements	59
Statutory declaration	59
Independent auditor's report	60-61
Comprehensive operating statement	62
Balance sheet	63
Statement of changes in equity	64
Cash flow statement	65
Notes to and forming part of the statements	66-88
1 – About this report	66
2 – Funding delivery of our services	67
3 – The cost of delivering services	68
4 – Key assets available to support output delivery	73
5 – Other assets and liabilities	75
6 – Financing our operations	77
7 – Risks, contingencies and valuation judgements	79
8 – Other disclosures	85

## What are financial statements?

Financial statements are designed to provide readers with an overview of the financial performance of the Port Phillip & Westernport CMA. The statements consist of four main reports:

- (1) Comprehensive Operating Statement;
- (2) Balance Sheet;
- (3) Statement of Changes in Equity; and
- (4) Cash Flow Statement.

These statements are supported by a series of notes which provide a more detailed explanation of the four main reports and other information relevant to the PPWCMA's financial performance.

## Summary of performance

The PPWCMA manages its finances in line with the *Financial Management Act 1994* and the associated Directions of the Victorian Government Minister for Finance. The Financial Statements included in this report have been audited and certified by the Victorian Auditor General's Office.

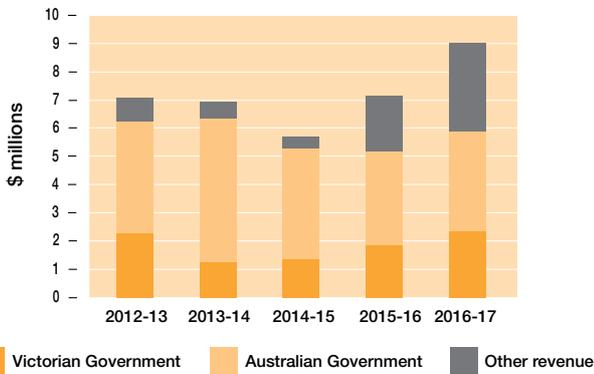
Through 2016-17, the PPWCMA focused on fulfilment of its statutory responsibilities and contractual obligations and achievement of its Key Performance Indicators whilst maintaining low operating costs across the business.

The 2016-17 Financial Statements show that the PPWCMA received total revenue of \$9 million with a surplus of just over \$1.5 million at year end. The surplus reflects the PPWCMA's expenditure of 2015-16 committed funds, the expenditure of a high proportion of 2016-17 revenue and the receipt of funding for 2017-18 at the end of 2016-17.

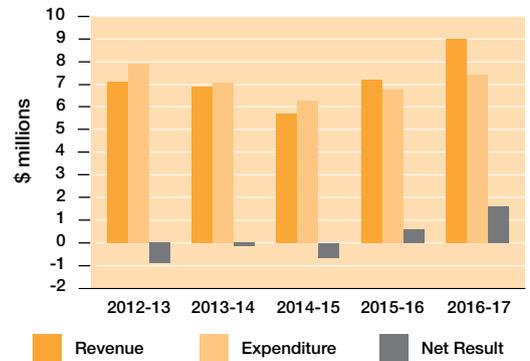
## Five-year summary of PPWCMA finances

	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Revenue</b>					
Victorian Government contributions	2,440,186	1,896,568	1,399,010	1,302,982	2,336,235
Australian Government contributions	3,491,635	3,327,601	3,904,233	5,100,428	3,858,260
Other revenue	3,093,726	2,004,150	354,190	547,560	926,145
<b>Total revenue</b>	<b>9,025,547</b>	<b>7,228,319</b>	<b>5,657,433</b>	<b>6,950,970</b>	<b>7,120,640</b>
<b>Expenses</b>	<b>7,448,534</b>	<b>6,683,571</b>	<b>6,255,471</b>	<b>7,057,375</b>	<b>7,929,105</b>
<b>Net result for the reporting period</b>	<b>1,577,013</b>	<b>544,748</b>	<b>(598,038)</b>	<b>(106,405)</b>	<b>(808,465)</b>
Net cash flow from operating activities	1,474,740	577,312	(862,921)	170,633	(604,248)
Total assets	5,369,945	3,891,021	3,240,360	4,195,170	3,920,097
Total liabilities	733,300	831,389	725,476	1,082,248	700,770

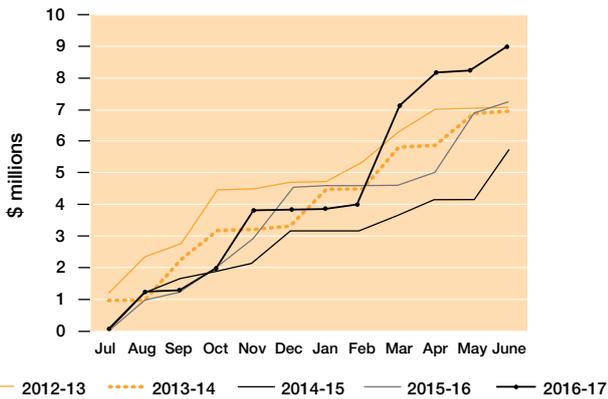
**Sources of PPWCMA revenue over 5 years**



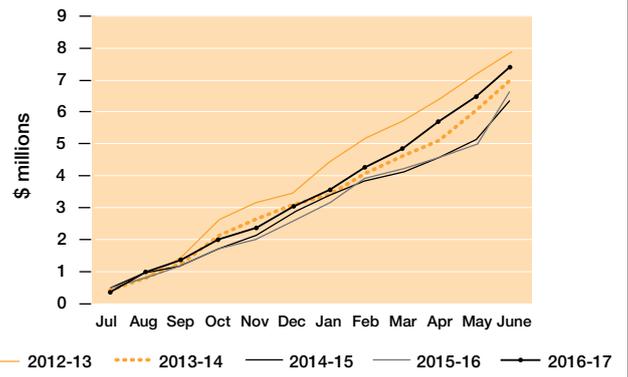
**PPWCMA 5 year financial performance summary**



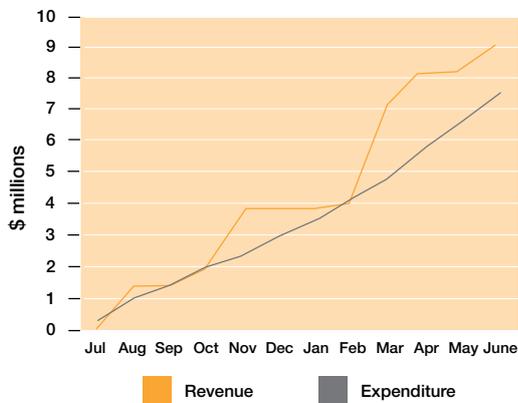
**Pattern of PPWCMA cumulative revenue over 5 years**



**Pattern of PPWCMA cumulative expenditure over 5 years**



**PPWCMA revenue and expenditure in 2016-17**



## Financial Statements

### How this report is structured

Port Phillip and Westernport Catchment Management Authority (the Authority) has pleasure in presenting its audited general purpose financial statements for the financial year ended 30 June 2017 and provides users with the information about the Authority's stewardship of resource entrusted to it. It is presented in the following structure:

### Financial statements

- Comprehensive operating statement
- Balance sheet
- Cash flow statement
- Statement of changes in equity

### Notes to the financial statements

- 1. About this report**  
The basis on which the financial statements have been prepared and compliance with reporting regulations
- 2. Funding delivery of our services**  
Revenue recognised in respect of Government grants contributions and other income sources
- 3. The cost of delivering services**  
Operating expenses of the Authority
- 4. Key assets available to support output delivery**  
Plant and equipment; furniture and equipment, and computers and accessories
- 5. Other assets and liabilities**  
Other key assets and liabilities
- 6. Financing our operations**  
Cash flow information, leases and commitments for expenditure
- 7. Risks, contingencies and valuation judgements**  
Financial risk management, contingent assets and liabilities as well as fair value determination
- 8. Other disclosures**

## Declaration

### Accountable Officer's and Chief Finance and Accounting Officer's declaration

The attached financial statements for the Port Phillip and Westernport Catchment Management Authority have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance 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 2017 and financial position of the Authority at 30 June 2017.

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

We authorise the attached financial statements for issue on 21st August 2017.



Mr Neville Goodwin  
Board Chair  
Port Phillip and Westernport Catchment Management Authority  
(Chairman)



Mr David Buntine  
Chief Executive Officer  
Port Phillip and Westernport Catchment Management Authority  
(Accountable Officer)



Ms Carolyn Nicholson  
Business and Governance Manager  
Port Phillip and Westernport Catchment Management Authority  
(Chief Finance & Accounting Officer)

## Auditor General's certificate



### Independent Auditor's Report

**To the Board of the Port Phillip and Westernport Catchment Management Authority**

**Opinion** I have audited the financial report of the Port Phillip and Westernport Catchment Management Authority (the authority) which comprises the:

- balance sheet as at 30 June 2017
- 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
- declaration in the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Board's responsibilities for the financial report** 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 *Financial Management Act 1994*, 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.

In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.

**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 our 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  
23 August 2017



Roberta Skiros  
*as delegate for the Auditor-General of Victoria*

## Comprehensive Operating Statement

For the Financial Year Ended 30 June 2017

	Note	2017 \$	2016 \$
<b>Revenue</b>			
Victorian Government grants and contributions	2.2	2,440,186	1,896,568
Australian Government grants and contributions	2.3	3,491,635	3,327,601
Other contributions	2.4	2,995,325	1,894,162
Interest	2.5	65,953	70,595
Other income	2.6	32,448	39,393
<b>Total Revenue</b>		<b>9,025,547</b>	<b>7,228,319</b>
<b>Expenses</b>			
Grant payments	3.2	3,546,697	3,083,399
Employee benefits	3.3	2,190,477	2,150,708
Supplies and services	3.4	1,700,369	1,428,652
Consultants	3.5	-	13,088
Depreciation	4.2.1	10,991	7,724
<b>Total Expenses</b>		<b>7,448,534</b>	<b>6,683,571</b>
<b>Net Result For The Year</b>		<b>1,577,013</b>	<b>544,748</b>
<b>Total Comprehensive Surplus For The Year</b>		<b>1,577,013</b>	<b>544,748</b>

The above comprehensive operating statement should be read in conjunction with the accompanying notes.

## Balance Sheet

As at 30 June 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.1	5,141,658	3,672,848
Receivables	5.1	179,750	164,685
Prepayments		13,646	13,536
<b>Total Current Assets</b>		<b>5,335,054</b>	<b>3,851,069</b>
<b>Non-Current Assets</b>			
Plant and equipment	4.2	28,391	33,452
Security deposits	5.1	6,500	6,500
<b>Total Non-Current Assets</b>		<b>34,891</b>	<b>39,952</b>
<b>TOTAL ASSETS</b>		<b>5,369,945</b>	<b>3,891,021</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.2	197,933	320,090
Employee benefits	3.3.1	501,448	472,751
<b>Total Current Liabilities</b>		<b>699,381</b>	<b>792,841</b>
<b>Non-Current Liabilities</b>			
Employee benefits	3.3.1	33,919	38,548
<b>Total Non-Current Liabilities</b>		<b>33,919</b>	<b>38,548</b>
<b>TOTAL LIABILITIES</b>		<b>733,300</b>	<b>831,389</b>
<b>NET ASSETS</b>		<b>4,636,645</b>	<b>3,059,632</b>
<b>EQUITY</b>			
Accumulated surplus		666,070	982,919
Committed funds reserve	6.3	3,970,575	2,076,713
<b>TOTAL EQUITY</b>		<b>4,636,645</b>	<b>3,059,632</b>

The above balance sheet should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

For the Financial Year Ended 30 June 2017

	Committed Funds Reserve \$	Accumulated Surplus \$	Total \$
Balance at 1 July 2015	<b>1,313,853</b>	<b>1,201,031</b>	<b>2,514,884</b>
Transfer (from)/to accumulated surplus	762,860	(762,860)	-
Total comprehensive surplus for the year	-	544,748	544,748
<b>Balance at 30 June 2016</b>	<b>2,076,713</b>	<b>982,919</b>	<b>3,059,632</b>
Balance at 1 July 2016	<b>2,076,713</b>	<b>982,919</b>	<b>3,059,632</b>
Transfer (from)/to accumulated surplus	1,893,862	(1,893,862)	-
Total comprehensive surplus for the year	-	1,577,013	1,577,013
<b>Balance at 30 June 2017</b>	<b>3,970,575</b>	<b>666,070</b>	<b>4,636,645</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## Cash Flow Statement

For the Financial Year Ended 30 June 2017

	Note	2017 \$	2016 \$
<b>Cash Flow from Operating Activities</b>			
<b>Receipts</b>			
Government grants and other contributions		8,926,160	5,224,169
Interest received		51,875	70,350
Other contributions		32,448	1,852,833
<b>Total Receipts</b>		<b>9,010,483</b>	<b>7,147,352</b>
<b>Payments</b>			
Employees		(2,105,358)	(2,056,740)
Grants		(3,546,697)	(3,083,399)
Suppliers and other payments		(1,750,728)	(1,228,056)
Goods & services tax paid to ATO <sup>1</sup>		(132,960)	(201,845)
<b>Total Payments</b>		<b>(7,535,743)</b>	<b>(6,570,040)</b>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	6.1.1	<b>1,474,740</b>	<b>577,312</b>
<b>Cash Flow from Investing Activities</b>			
Payments for plant and equipment		(5,930)	(15,657)
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<b>(5,930)</b>	<b>(15,657)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		1,468,810	561,655
Cash and cash equivalents at the beginning of the financial year		3,672,848	3,111,193
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	6.1	<b>5,141,658</b>	<b>3,672,848</b>

The above cash flow statement should be read in conjunction with the accompanying notes.

<sup>1</sup> Goods and services tax received from or paid to ATO is presented on a net basis

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 1. About This Report

Port Phillip and Westernport Catchment Management Authority (the Authority) was established under the *Catchment and Land Protection Act 1994* on 29 October 2002. On that date the Authority acquired all the designated property, rights, liabilities, obligations, powers and functions of the Catchment and Land Protection Board, which was abolished on the constitution of the Authority. Its principal address is:

Port Phillip and Westernport Catchment Management Authority  
Level 1, Landmark Corporate Centre  
454 - 472 Nepean Highway  
Frankston, VIC 3199

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

### 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.

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;'. Where appropriate, comparative figures have been amended to align with current presentation and disclosure.

All amounts in the financial statements have been rounded to the nearest one dollar.

### Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) 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* (AASB 1049). These financial statements cover the Authority as an individual entity.

The Authority is a not-for-profit entity for the purposes of preparing the financial statements. 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. Unless otherwise stated, all accounting policies are consistent with those of the prior year.

These annual financial statements were authorised for issue by the Board on 21st August 2017.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 2. Funding Delivery of Our Services

#### Introduction

The principal activities of the Authority are the preparation of a Regional Catchment Strategy, coordinating and monitoring the implementation of the Regional Catchment Strategy, promoting community awareness of natural resource management and the provision of advice to the Victorian Government on matters relating to catchment and land management and protection.

To enable the Authority to deliver on its objectives, it receives income predominantly through Victorian and Australian Government contributions.

Contributions are both general purpose (not subject to conditions regarding their use) and specific purpose (paid for a particular purpose and/or have conditions attached regarding their use). Where such contributions are for a particular purpose they are reported and administered as committed project funds (refer to note 6.3).

#### Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Victorian Government grants and contributions
- 2.3 Australian Government grants and contributions
- 2.4 Other contributions
- 2.5 Interest
- 2.6 Other income

#### 2.1 Summary of income that funds the delivery of our services

	2017	2016
	\$	\$
Victorian Government grants and contributions	2,440,186	1,896,568
Australian Government grants and contributions	3,491,635	3,327,601
Other contributions	2,995,235	1,894,162
Interest	65,953	70,595
Other income	32,448	39,393
<b>Total income from transactions</b>	<b>9,025,547</b>	<b>7,228,319</b>

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured at fair value.

#### 2.2 Victorian Government grants and contributions

	2017	2016
	\$	\$
Department of Environment, Land, Water & Planning	2,440,186	1,896,568
	<b>2,440,186</b>	<b>1,896,568</b>

#### 2.3 Australian Government grants and contributions

	2017	2016
	\$	\$
National Landcare Programme	3,491,635	3,311,635
Department of Sustainability, Environment, Water, Population and Communities	-	15,966
	<b>3,491,635</b>	<b>3,327,601</b>

Government grants and contributions for the financial year are recognised as operating revenue on receipt or when the Authority obtains control of the contribution and meets certain other criteria as outlined by AASB 1004 *Contributions*, whichever is the sooner, and disclosed in the Comprehensive Operating Statement as Government grants and contributions.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 2. Funding Delivery of Our Services – continued

#### 2.4 Other contributions

	2017	2016
	\$	\$
Local Government and Agencies	559,182	272,392
Corporate sponsorship	16,250	-
Partner contributions	2,413,623	1,614,952
Landholder contributions	6,270	6,818
	<b>2,995,325</b>	<b>1,894,162</b>

Other contributions for the financial year are recognised as operating revenue on receipt or when the Authority obtains control of the contribution and meets certain other criteria as outlined by AASB 1004 *Contributions*, whichever is the sooner, and disclosed in the Comprehensive Operating Statement as Other contributions.

#### 2.5 Interest

	2017	2016
	\$	\$
Interest income	65,953	70,595
	<b>65,953</b>	<b>70,595</b>

Interest income is recognised using the effective interest rate method, in the period in which it is earned.

#### 2.6 Other income

	2017	2016
	\$	\$
Other income	32,448	39,393
	<b>32,448</b>	<b>39,393</b>

Other income is recognised when the right to receive payment is established.

### Note 3. The Cost of Delivering Services

#### Introduction

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

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

*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.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 3. The Cost of Delivering Services – continued

#### Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Grant payments
- 3.3 Employee benefits
- 3.4 Supplies and services
- 3.5 Consultants

#### 3.1 Expenses incurred in delivery of services

	2017	2016
	\$	\$
Grant payments	3,546,697	3,083,399
Employee benefits	2,190,477	2,150,708
Supplies and services	1,700,369	1,428,651
Consultants	-	13,088
<b>Total expenses from transactions</b>	<b>7,437,543</b>	<b>6,675,846</b>

#### 3.2 Grant payments

	2017	2016
	\$	\$
General purpose grants	3,546,697	3,083,399
	<b>3,546,697</b>	<b>3,083,399</b>

Grants payments are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals; payments made to Victorian Government owned agencies, local government, non-government schools, and community groups.

#### 3.3 Employee benefits

	2017	2016
	\$	\$
Salaries and wages	1,551,420	1,487,341
Annual leave	155,502	153,667
Long service leave	40,508	88,657
Employer superannuation contributions	165,324	157,085
Other employee expenses	277,723	263,958
	<b>2,190,477</b>	<b>2,150,708</b>

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 3. The Cost of Delivering Services – continued

#### 3.3.1 Employee related provisions in the balance sheet

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.

	2017 \$	2016 \$
<b>Current provisions for employee benefits</b>		
Annual leave:		
Unconditional and expected to be settled within 12 months	101,077	119,061
Unconditional and expected to be settled after 12 months	11,757	-
Long service leave:		
Unconditional and expected to be settled within 12 months	60,632	59,511
Unconditional and expected to be settled after 12 months	251,668	225,152
Time in lieu		
Unconditional and expected to be settled within 12 months	10,882	12,452
	<b>436,016</b>	<b>416,176</b>
Provisions for on-costs		
Unconditional and expected to be settled within 12 months	25,100	21,965
Unconditional and expected to be settled after 12 months	40,332	34,610
	<b>65,432</b>	<b>56,575</b>
<b>Total current provisions</b>	<b>501,448</b>	<b>472,751</b>
<b>Non-current provisions for employee benefits</b>		
Employee benefits	29,400	33,411
On-costs	4,519	5,137
<b>Total non-current provisions</b>	<b>33,919</b>	<b>38,548</b>
<b>Total provisions for employee benefits and on-costs</b>	<b>535,367</b>	<b>511,299</b>

#### 3.3.2 Reconciliation of movement in on-cost provision

	2017 \$
<b>Opening balance</b>	<b>61,712</b>
Additional provisions recognised	8,239
<b>Closing balance</b>	<b>69,951</b>

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 3. The Cost of Delivering Services – continued

#### 3.3.3 Salaries and Wages and annual 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.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, time in lieu, and annual leave are measured at:

- 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.

#### 3.3.4 Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements 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:

- undiscounted value – if the Authority expects to wholly settle within 12 months; and
- 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 liability is measured.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised in the 'net result from transactions', except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised in the net result as other economic flow.

#### 3.3.5 On costs

Provisions for on costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

#### 3.3.6 Performance payments

Performance payments for the Authority's Executive Officer are based on a percentage of the annual salary package provided under their contract of employment. A liability is recognised and is measured as the aggregate of the amounts

#### 3.3.7 Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee decides to accept an offer of benefits in exchange for the termination of employment. The Authority recognises termination benefits when it is demonstrably committed to either 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. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

#### 3.3.8 Employer superannuation contributions

The amount charged to the Comprehensive Operating Statement in respect of superannuation represents contributions made or due by the Authority to the relevant superannuation plans in respect to the services of the Authority's staff (both past and present).

Employees of the Authority are entitled to receive superannuation benefits and the Authority contributes to both accumulation (defined contribution) and defined benefit plans. Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that the Authority is required to comply with. The defined benefit plan provides benefits based on years of service and final average salary.

The Authority does not recognise any defined benefit liability in respect of the plan because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance discloses the Victorian Government's defined benefit liabilities in its disclosure for administered items.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 3. The Cost of Delivering Services – continued

The Authority's contribution details and amounts expensed in relation to the employee superannuation funds are as follows:

Scheme	Type of Scheme	Rate %	2017		2016	
			\$	Rate %	\$	
Vic Super	Accumulation	9.5	69,629	9.5	64,360	
Emergency Services & State Super	Defined Benefits	10.3	13,790	10.3	13,479	
Uni. Super	Accumulation	9.5	12,239	9.5	7,173	
Care Super	Accumulation	9.5	10,389	9.5	10,036	
Vision Super	Accumulation	9.5	9,499	9.5	7,812	
Australian Super	Accumulation	9.5	8,826	9.5	8,573	
DIY Master Plan	Accumulation	9.5	8,515	9.5	8,270	
HESTA Super Fund	Accumulation	9.5	8,255	9.5	8,531	
HOST plus	Accumulation	9.5	8,081	9.5	8,019	
Australian Ethical Super	Accumulation	9.5	6,104	9.5	6,120	
Future Super	Accumulation	9.5	2,324	9.5	1,511	
Cbus Super	Accumulation	9.5	2,130	9.5	2,095	
Others	Accumulation	9.5	5,543	9.5	11,117	
<b>TOTAL</b>			<b>165,324</b>		<b>157,085</b>	

There were no loans from the Superannuation Funds to the Authority during the year. Outstanding superannuation contributions as at 30 June 2017 are \$20,142 (2016: \$23,681)

### 3.4 Supplies and services

	2017	2016
	\$	\$
Day-to-day running costs incurred in normal operations	1,700,369	1,428,651
	<b>1,700,369</b>	<b>1,428,651</b>

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. These include the general day-to-day running costs incurred in normal operations (excluding consultants that are reported separately).

### 3.5 Consultants

	2017	2016
	\$	\$
Provision of expert analysis and advice	-	13,088
	<b>-</b>	<b>13,088</b>

Consultants' expenses are recognised as an expense in the reporting period in which they are incurred. These include the costs to engage consultants to perform discrete tasks for the Authority that facilitates decision making through provision of expert analysis and advice; and/or the development of a written report or other intellectual output.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 4. Key Assets Available To Support Output Delivery

#### Introduction

The Authority controls plant and equipment assets that are utilised in fulfilling its objectives and conducting its activities, comprising furniture, equipment, computers and accessories.

#### *Significant judgement: Fair value measurement*

Where the assets included in this note are carried at fair value, additional information is disclosed in Note 7.2.2 in connection with how those fair values were determined.

#### Structure

- 4.1 Recognition of plant and equipment
- 4.2 Classes of plant and equipment
  - 4.2.1 Depreciation
- 4.3 Movement during the financial year
- 4.4 Revaluation of non-current physical assets
- 4.5 Impairment of Assets

#### 4.1 Recognition of plant and equipment

Items with a cost or value in excess of \$1,000 (2016; \$1,000) and a useful life of more than one year are recognised as assets. All other assets acquired are expensed. Where assets are constructed by the Authority, the cost at which they are recorded includes an appropriate share of fixed and variable overheads.

Assets acquired at no cost or for nominal consideration by the Authority are recognised at fair value at the date of acquisition.

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.

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 depreciated replacement cost method. Refer to Note 7.2.2 for additional information on fair value determination of plant and equipment.

#### 4.2 Classes of plant and equipment

	2017	2016
	\$	\$
<b>Computers &amp; Accessories</b>		
At fair value	56,019	50,089
Less accumulated depreciation	(38,710)	(32,183)
	<u>17,309</u>	<u>17,906</u>
<b>Furniture &amp; Equipment</b>		
At fair value	44,640	44,640
Less accumulated depreciation	(33,558)	(29,094)
	<u>11,082</u>	<u>15,546</u>
<b>Total Plant and Equipment</b>	<b><u>28,391</u></b>	<b><u>33,452</u></b>

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 4. Key Assets Available To Support Output Delivery – continued

#### 4.2.1 Depreciation

	2017 \$	2016 \$
Furniture and equipment	4,464	4,464
Computers and accessories	6,527	3,260
	<b>10,991</b>	<b>7,724</b>

All non-current physical assets that have a limited useful life are depreciated. Where assets have separate identifiable components that have distinct useful lives and/or residual values, a separate depreciation rate is determined for each component.

Depreciation is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, commencing from the time the asset is held ready for use. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Depreciation rates within each asset class are consistent with the previous year and are:

Asset class	Depreciation rate
Furniture and equipment	10%
Computers and accessories	20%

#### 4.3 Movement during the financial year

	Computers and accessories \$	Furniture and equipment \$	Total \$
Opening Balance 1 July 2016	17,906	15,546	33,452
Additions	5,930	-	5,930
Depreciation expense	(6,527)	(4,464)	(10,991)
<b>Closing Balance 30 June 2017</b>	<b>17,309</b>	<b>11,082</b>	<b>28,391</b>
Opening Balance 1 July 2015	5,509	20,010	25,519
Additions	15,657	-	15,657
Depreciation expense	(3,260)	(4,464)	(7,724)
<b>Closing Balance 30 June 2016</b>	<b>17,906</b>	<b>15,546</b>	<b>33,452</b>

#### 4.4 Revaluation of non-current physical assets

Revaluation increments are credited directly to equity in the asset revaluation reserve surplus/(deficit), except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in determining the net result, the increment is recognised as revenue in determining the net result.

Revaluation decrements are recognised immediately as an expense in the net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited to the asset revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within a class of infrastructure, property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not transferred to accumulated surplus/(deficit) on derecognition of the relevant asset.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 4. Key Assets Available To Support Output Delivery – continued

#### 4.5 Impairment of Assets

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off, except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

### Note 5. Other Assets and Liabilities

#### Introduction

This note sets out those assets and liabilities that arose from the Authority's operations

*Significant judgement: Accrued revenue and accrued expenses*

Accrued revenue and accrued expenses represent goods or services that have been received or supplied but have not been invoiced. In estimating the amount of an accrued revenue or accrued expense, consideration is given to the stage of completion of the services being performed.

#### Structure

5.1 Receivables

5.2 Payables

#### 5.1 Receivables

	2017	2016
	\$	\$
<b>Contractual</b>		
Trade receivables	122,553	39,912
Security deposits	6,500	6,500
Accrued interest	14,077	4,898
<b>Statutory</b>		
GST Input Tax Credit receivables	43,120	119,875
<b>Total Receivables</b>	<b>186,250</b>	<b>171,185</b>
<i>Represented by:</i>		
Current receivables	179,750	164,685
Non-current receivables	6,500	6,500

Receivables consist of:

- Contractual receivables, such as debtors in relation to goods and services, and accrued investment income; and
- Statutory receivables, such as amounts owing from the Victorian Government and Goods and Services Tax (GST) input tax credits recoverable.

Contractual receivables are recognised initially at fair value and subsequently measured at amortised cost, less an allowance for impaired receivables. Trade receivables are due for settlement no more than 30 days from the date of recognition for all debtors.

Statutory receivables, are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Contractual receivables are classified as financial instruments and categorised as loans and receivables.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 5. Other Assets and Liabilities – continued

#### 5.1.1 Provision for doubtful debts

Collectability of contractual receivables is reviewed on an ongoing basis. A provision for doubtful debts is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amounts credited to the provision are recognised as an expense in the comprehensive operating statement.

As at 30 June 2017 there were no receivables regarded as uncollectible (2016: Nil).

#### 5.1.2 Past due but not impaired trade receivables

As of 30 June 2017, the Authority did not have trade receivables past due. The ageing analysis of these receivables is as follows:

	2017	2016
	\$	\$
1 to 6 months	-	135
	-	<b>135</b>

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

#### 5.1.3 Fair value and credit risk

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their value. The maximum exposure to credit risk at balance date is the higher of the carrying value and the fair value. There was no significant exposure to credit risk at balance date.

### 5.2 Payables

	2017	2016
	\$	\$
<b>Current Contractual</b>		
Trade creditors	69,894	192,129
Accrued expenses	76,116	64,854
<b>Current Statutory</b>		
PAYG withheld	31,781	30,600
Payroll tax	-	8,826
Superannuation	20,142	23,681
<b>Total Payables</b>	<b>197,933</b>	<b>320,090</b>

Payables consist of:

- Contractual payables, such as accounts payable. Accounts payable represent liabilities for goods and services provided to the Authority prior to the end of the financial year that are unpaid, and arise when the Authority becomes obliged to make future payments in respect of the purchase of those goods and services;
- Statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost. Statutory payables 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 a contract. The contractual payables are unsecured and are usually paid within 30 days of recognition.

#### 5.2.1 Fair value

Due to the short-term nature of the current payables, their carrying value is assumed to approximate their fair value.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 6. Financing Our Operations

#### Introduction

This note 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 includes disclosures on financial instruments balances, such as cash balances

#### Structure

- 6.1 Cash flow information and balances
- 6.2 Commitments for expenditure
- 6.3 Committed funds reserve

#### 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 four 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.

	2017	2016
	\$	\$
Cash on hand	600	600
Cash at bank	232,279	139,062
Cash at call	712,779	583,186
Short term deposits	4,196,000	2,950,000
<b>Total Cash and Cash Equivalents*</b>	<b>5,141,658</b>	<b>3,672,848</b>

\* \$3,970,575 of \$5,141,658 cash and cash equivalents held at balance date are committed to specific projects for which funding has been provided to the Authority (2016 \$2,076,713 of \$3,672,848) - refer to Note 6.3.

The short term deposits are bearing fixed interest rates between 1.67% and 1.81% (2016: 1.81% and 1.94%).

#### 6.1.1 Reconciliation of net result for the year to net cash flows from operating activities

	2017	2016
	\$	\$
<b>Net result for the Reporting Period</b>	<b>1,577,013</b>	<b>544,748</b>
Depreciation	10,991	7,724
<b>Changes in Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	(15,064)	(80,967)
(Increase)/Decrease in Prepayments	(111)	(106)
Increase/(Decrease) in Payables	(122,158)	11,944
Increase/(Decrease) in Employee Benefits	24,069	93,969
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	<b>1,474,740</b>	<b>577,312</b>

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 6. Financing Our Operations – continued

#### 6.1.2 Financing arrangements

The Authority has no overdraft or other financing facilities (2016: Nil).

#### 6.2 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and inclusive of the goods and services tax (GST) payable. In addition, 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 Lease commitments

Operating leases relate to office facilities, vehicles, and office equipment with lease terms between one and five years, with an option to extend. All operating lease contracts contain market review clauses in the event that the Authority exercises its option to renew. The Authority does not have an option to purchase the leased assets at the expiry of the lease period. At 30 June 2017 the Authority had the following lease commitments:

	2017	2016
	\$	\$
Within one year	310,138	244,831
Later than one year but not later than five years	102,244	384,387
<b>Total lease commitments (inclusive of GST)</b>	<b>412,382</b>	<b>629,218</b>

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases; Payments made under operating leases (net of any incentives received from lessor) are charged to the Comprehensive Operating Statement on a straight-line basis over the period of the lease, in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

##### 6.2.2 - Capital commitments

As at 30 June 2017, the Authority had no outstanding capital commitments (30 June 2016: Nil).

#### 6.3 Committed funds reserve

The Authority is responsible for the facilitation and coordination of catchments in an integrated and sustainable manner. This is achieved by undertaking projects primarily funded by Victorian and Australian Government programs. 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, Climate Change and Water.

The projects funded by the Victorian and Australian Governments can be undertaken over multiple financial years and funding 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 cash and cash equivalents that will be utilised to complete these projects in future financial years. Refer note 6.1 - Cash and Cash Equivalent for balances on hand.

Notes: (i) Classified in accordance with the fair value hierarchy, see Note 1(g).

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 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 note sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a high level of judgement to be applied, which for the Authority relate mainly to fair value determination.

#### Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Fair Value Measurements
- 7.3 Provisions
- 7.4 Contingent assets and contingent liabilities

#### 7.1 Financial instruments specific disclosures

##### 7.1.1 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). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

##### 7.1.2 Categories of financial instruments

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted in an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost less any impairment. Loans and receivables category includes cash and deposits, trade and other receivables, but exclude statutory receivables.

Collectability of trade receivables is reviewed on an ongoing basis. Bad debts which are known to be uncollectible are written off, and classified as a transaction expense. A provision for impaired receivables is established when there is objective evidence that the Authority will not be able to collect all amounts due according to the original terms of receivables.

Financial liabilities at amortised cost are initially recognised on the date they 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. Financial instrument liabilities measured at amortised cost include all of the Authority's contractual payables.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 7. Risks, Contingencies and Valuation Judgements – continued

	Contractual financial assets \$	Contractual financial liabilities \$	Total \$
<b>2017</b>			
<b>Contractual financial</b>			
Cash and cash equivalents	5,141,658	-	5,141,658
Trade receivables	122,553	-	122,553
Security deposits	6,500	-	6,500
Accrued revenue	14,077	-	14,077
<b>Total contractual financial assets</b>	<b>5,284,788</b>	<b>-</b>	<b>5,284,788</b>
<b>Contractual financial</b>			
Trade payables	-	69,894	69,894
Accrued expenses	-	76,116	76,116
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>146,010</b>	<b>146,010</b>
<b>2016</b>			
<b>Contractual financial</b>			
Cash and cash equivalents	3,672,848	-	3,672,848
Trade receivables	39,912	-	39,912
Security deposits	6,500	-	6,500
Accrued revenue	4,898	-	4,898
<b>Total contractual financial assets</b>	<b>3,724,158</b>	<b>-</b>	<b>3,724,158</b>
<b>Contractual financial</b>			
Trade payables	-	192,129	192,129
Accrued expenses	-	64,854	64,854
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>256,983</b>	<b>256,983</b>

The total amounts disclosed here exclude statutory amounts.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 7. Risks, Contingencies and Valuation Judgements – continued

#### 7.1.3 Financial risk management objectives and policies

The Authority's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Authority's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Authority.

This note presents information about the Authority's exposure to each of these risks, and the objectives, policies and processes for measuring and managing risk.

The Authority uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk. The Authority does not have foreign exchange risk as it does not trade outside of Australia.

The Authority's Board has the overall responsibility for the establishment and oversight of the Authority's risk management framework. The Authority's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Authority.

The Authority uses different methods to measure different types of risk to which it is exposed. The Business management team identifies, evaluates and manages financial risks in close co-operation with the Audit Committee. The Board provides written principles for overall risk management, as well as policies covering specific areas such as interest rate risk and investment of excess liquidity.

#### Market risk

Market risk is the risk that changes in market prices will affect the fair value or future cash flows of the Authority's financial instruments. Market risk comprises of interest rate risk and other price risk. The Authority's exposure to market risk is primarily through interest rate risk, and is limited to "At Call Funds".

#### Interest rate risk

The Authority's exposure to market interest rates relates to funds invested in the money market. The Authority does not have any borrowings. The Authority has minimal exposure to interest rate risk through its holding of cash assets.

#### Other price risk

The Authority has no exposure in other price risk.

#### Market risk sensitivity analysis

The sensitivity analysis has taken into account past performance, future expectations and economic forecasts. The Authority believes that a movement of 1% in interest rates is reasonable over the next 12 months.

	Carrying Amount	Interest Rate Risk			
		-1%	Equity	+1%	Equity
	\$	Results	Equity	Results	Equity
		\$	\$	\$	\$
<b>2017</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	5,141,658	(9,451)	(9,451)	9,451	9,451
Receivables	143,130	-	-	-	-
<b>Financial Liabilities</b>					
Payables	146,010	-	-	-	-
<b>Total Increase/(Decrease)</b>		<b>(9,451)</b>	<b>(9,451)</b>	<b>9,451</b>	<b>9,451</b>

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 7. Risks, Contingencies and Valuation Judgements – continued

#### Market risk sensitivity analysis

	Carrying Amount	Interest Rate Risk			
		-1%	Equity	+1%	Equity
	\$	Results	Equity	Results	Equity
		\$	\$	\$	\$
<b>2016</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	3,672,848	(7,222)	(7,222)	(7,222)	(7,222)
Receivables	51,310	-	-	-	-
<b>Financial Liabilities</b>					
Payables	256,983	-	-	-	-
<b>Total Increase/(Decrease)</b>		<b>(7,222)</b>	<b>(7,222)</b>	<b>(7,222)</b>	<b>(7,222)</b>

#### Credit risk

Credit risk is the risk of financial loss to the Authority as a result of a customer or counterparty to a financial instrument failing to meet its contractual obligations. Credit risk arises principally from the Authority's receivables.

The Authority's exposure to credit risk is minimal due to the characteristics of each customer. The receivable balance consists primarily of Government entities and the risk of failure to meet their obligations is minimal. Receivable balances are monitored on an on-going basis to assess the exposure to bad debts. The Authority has an accounts receivable procedure in place for the collection of overdue receivables.

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

	Financial institutions (triple-A credit rating)	Government agencies (triple-A credit rating)	Other	Total
	\$	\$	\$	\$
<b>2017</b>				
Cash and deposits	945,958	4,196,000	-	5,141,658
Receivables	-	-	122,553	122,553
<b>Total contractual financial assets</b>	<b>945,958</b>	<b>4,196,000</b>	<b>122,553</b>	<b>5,264,211</b>
<b>2016</b>				
Cash and deposits	1,922,848	1,750,000	-	3,672,848
Receivables	-	-	39,912	39,912
<b>Total contractual financial assets</b>	<b>1,922,848</b>	<b>1,750,000</b>	<b>39,912</b>	<b>3,712,760</b>

#### Liquidity risk

Liquidity Risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority's policy is to settle financial obligations within 30 days and in the event of dispute make payments within 30 days from the date of resolution.

The Authority manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

The Authority does not have any interest bearing liabilities.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 7. Risks, Contingencies and Valuation Judgements – continued

#### 7.1.3 Financial risk management objectives and policies – continued

##### Impairment of financial assets

At each reporting date, the Authority assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale equity investment, a significant or prolonged decline in value of the instrument below its cost is considered as an indicator that the investment is impaired. If any such evidence exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss is removed from equity and recognised in the Comprehensive Operating Statement. Impairment losses are recognised in the Comprehensive Operating Statement. Impairment losses recognised in the comprehensive operating statement on equity instruments classified as available for sale are not reversed through the comprehensive operating statement.

##### 7.2 Fair value measurements

Consistent with AASB 13 *Fair Value Measurement*, the Authority determines the policies and procedures for both recurring fair value measurements such as plant and equipment and financial instruments, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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.

In addition, the Authority determines whether transfers have occurred between levels in the hierarchy by re assessing 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 Valuer General Victoria (VGV) is the Authority's independent valuation agency in relation to valuation of plant and equipment.

##### 7.2.1 Fair value determination of financial assets and liabilities

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 2016-17 reporting period. These financial instruments include:

##### Financial assets

Cash and cash equivalents.

Receivables:

- Trade receivables
- Accrued income
- Security deposits

##### Financial liabilities

Payables:

- Trade payables
- Accrued expenses

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 7. Risks, Contingencies and Valuation Judgements – continued

#### 7.2.2 Fair value determination: Non-financial physical assets

The following table shows that fair values of all of the contractual financial assets and liabilities are the same as the carrying amounts.

##### Fair value measurement hierarchy for assets as at 30 June 2017

	Carrying amount as at 30 June 2017	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
	\$	\$	\$	\$
Computers and Accessories at fair value	17,309	-	-	17,309
Furniture and Equipment at fair value	11,082	-	-	11,082

##### Fair value measurement hierarchy for assets as at 30 June 2016

	Carrying amount as at 30 June 2016	Fair value measurement at end of reporting period using:		
		Level 1 <sup>(i)</sup>	Level 2 <sup>(i)</sup>	Level 3 <sup>(i)</sup>
	\$	\$	\$	\$
Computers and Accessories at fair value	17,906	-	-	17,906
Furniture and Equipment at fair value	15,546	-	-	15,546

Notes: (i) Classified in accordance with the fair value hierarchy, see note 7.2

There have been no transfers between levels during the period. For all assets measured at fair value, the current use is considered the highest and best use.

Plant and equipment is held at fair value. When plant 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 depreciated replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2017.

#### Reconciliation of level 3 fair value

	Computers and accessories	Furniture and equipment
	\$	\$
<b>2017</b>		
<b>Opening Balance</b>	<b>17,906</b>	<b>15,546</b>
Purchases (Sales)	5,930	-
Depreciation	(6,527)	(4,464)
<b>Closing balance</b>	<b>17,309</b>	<b>11,082</b>
	Computers and accessories	Furniture and equipment
	\$	\$
<b>2016</b>		
<b>Opening Balance</b>	<b>5,509</b>	<b>20,010</b>
Purchases (Sales)	15,657	-
Depreciation	(3,260)	(4,464)
<b>Closing balance</b>	<b>17,906</b>	<b>15,546</b>

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 7. Risks, Contingencies and Valuation Judgements – continued

#### Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant observable inputs
Computers and accessories	Depreciated replacement cost	Cost per unit Useful life of plant and equipment
Furniture and equipment	Depreciated replacement cost	Cost per unit Useful life of plant and equipment

#### 7.3 Provisions

Provisions are recognised when the Authority has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

#### 7.4 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively

As at 30 June 2017 the Authority had no contingent liabilities and contingent assets (2016: Nil).

### Note 8. Other Disclosures

#### Introduction

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

#### Structure

- 8.1 Ex-gratia expenses
- 8.2 Responsible persons
- 8.3 Remuneration of executive officers
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Australian Accounting Standards issued that are not yet effective

#### 8.1 Ex-gratia expenses

The Authority had no ex-gratia expenses for the year ending 30 June 2017 (2016 Nil).

#### 8.2 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.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 8. Other Disclosures – continued

#### 8.2.1 Names

The names of the persons who were responsible persons of the Authority at any time during the financial year were:

The Hon. Lisa Neville, MP	(Minister for Water)	01 Jul 2016 to 30 Jun 2017
The Hon. Liliانا D'Ambrosio	(Minister for Energy, Environment and Climate)	01 Jul 2016 to 30 Jun 2017
Neville Goodwin	(Chair)	01 Jul 2016 to 30 Jun 2017
Gregory Aplin	(Board Member)	01 Jul 2016 to 30 Jun 2017
Sarah Ewing	(Board Member)	01 Jul 2016 to 30 Jun 2017
Jane Jobe	(Board Member)	01 Jul 2016 to 30 Jun 2017
Jacquelyn Ross	(Board Member)	01 Jul 2016 to 30 Aug 2016
Susan Anderson	(Board Member)	01 Jul 2016 to 30 Jun 2017
Virginia Wallace	(Board Member)	01 Jul 2016 to 30 Jun 2017
Allan Bawden	(Board Member)	01 Jul 2016 to 30 Jun 2017
Moragh Mackay	(Board Member)	01 Jul 2016 to 30 Jun 2017
David Buntine	(CEO)	01 Jul 2016 to 30 Jun 2017

#### 8.2.2 Remuneration

The number of responsible persons, and their total remuneration received or receivable from the Authority in connection with the management of the Authority during the reporting period are shown in the table below.

Income band	2017	2016
\$0–\$9,999	0	9
\$10,000–\$19,999	7	3
\$20,000–\$29,999	1	1
\$200,000–\$209,999	1	1
<b>Total number of Responsible persons</b>	<b>9</b>	<b>14</b>
<b>Total Remuneration \$</b>	<b>325,136</b>	<b>\$325,204</b>

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

#### 8.3 Remuneration of executive officers

The Authority does not have executive officers other than the Chief Executive Officer (CEO) whose remuneration is disclosed in note 8.2.2 and note 8.4.2.

#### 8.4 Related parties

The Authority is a wholly owned and controlled entity of the Victorian Government. 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

All related party transactions have been entered into on an arm's length basis as part of the ongoing course of business.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 8. Other Disclosures – continued

#### 8.4.1 Significant transactions with government-related entities

During the year, the Authority received funding from the following government-related entities:

Entity	Funding received \$
Department of Environment, Land, Water and Planning	4,749,821
National Heritage Trust of Australia	1,160,000
Melbourne Water	357,700

During the year, the Authority made significant payments to the following government-related entities:

Entity	Payments made \$
Parks Victoria	207,718
Trust for Nature	129,250
Cardinia Shire Council	121,247
City of Casey	111,730

#### 8.4.2 Key management personnel

Key management personnel of the Authority includes all Responsible persons as listed in Note 8.2.1

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

#### Compensation of key management personnel

	2017 \$
Short-term employee benefits	301,187
Post-employment benefits	23,949
Other long-term benefits	5,512
<b>Total</b>	<b>330,468</b>

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.

## Notes to the Financial Report for the Year Ended 30 June 2017

### Note 8. Other Disclosures – continued

#### 8.4.3 Transactions with key management personnel and other related parties

Given the breadth and depth of Victorian Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Authority, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

#### 8.5 Remuneration of auditors

	2017	2016
	\$	\$
Amounts paid or payable to the Victorian Auditor General's Office for the audit of the Authority's financial statements	13,200	7,700

#### 8.6 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.

#### 8.7 New Accounting Standards and Interpretations issued that are not yet effective

Certain new Australian Accounting Standards (AAS's) have been published that are not mandatory for the 30 June 2017 reporting period. The Department of Treasury and Finance (DTF) assesses the impact of all these new standards and advises the Authority of their applicability and early adoption where applicable.

Standard / Interpretation	Summary	Applicable for annual period beginning on	Impact on Authority's Financial Statement
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 Jan 2019	The changes in standard will result in the recognition of the Authority's operating leases on the balance sheet.

In addition to those Accounting Standards listed above, the AASB has also released a number of other Accounting Standards and Accounting Interpretations. The application of the Accounting Standards and Interpretations are not expected to have any significant impact on the Authority's financial statements, consequently they have not been specifically identified above.

# Disclosure Index

The Port Phillip & Westernport CMA Annual Report 2016-17 is prepared in accordance with all relevant Victorian Government legislations and pronouncements. This index has been prepared to facilitate identification of DELWP's compliance with statutory disclosure requirements.

Legislation	Requirement	Page
<b>Ministerial Directions and Financial Reporting Guidelines</b>		
<b>Report of operations</b>		
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant ministers	4, 66
FRD 22H	Purpose, functions, powers and duties	4, 66
FRD 22H	Nature and range of services provided	4
FRD 22H	Key initiatives and projects	5, 8
<b>Management and structure</b>		
FRD 22H	Organisational structure	9
SD 3.2.1 & FRD 22H	Audit committee membership, role, skills and responsibilities	50
	Establishing Act	4, 66
<b>Financial and other information</b>		
FRD 10A	Disclosure index	79
FRD 15D	Executive officer disclosures	86
FRD 22H	Employment and conduct principles	53
FRD 22H	Workforce Data disclosures	54
FRD 22H	Occupational health and safety	55
FRD 22H	Performance against objectives	10
FRD 22H	Significant changes in financial position during the year	53
FRD 22H	Significant changes or factors affecting performance	53
FRD 22H	Subsequent events	88
FRD 22H	<i>Summary of financial results</i>	57
FRD 25C	Victorian Industry Participation Policy	53
FRD 22H	<i>Disclosure of government advertising expenditure</i>	52
FRD 22H	Details of consultancies over \$10,000	52
FRD 22H	Details of consultancies under \$10,000	52
FRD 22H	Disclosure of ICT expenditure	53
FRD 12B	Disclosure of major contracts	53
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	52
FRD 22H	Compliance with Building Act 1993	52
FRD 22H	Statement on National Competition Policy	53
FRD 22H	Application and operation of <i>Protected Disclosure Act 2012</i>	52
FRD 22H	Statement of availability of other information	54
FRD 30D	Design and printing requirements	Inside cover
	Disclosure of grants and transfer payments	15
	Compliance with DataVic Access Policy	52
<b>Declarations</b>		
SD 3.7.1	Compliance with Risk Management Framework	51
SD 5.2.3	Declaration in report of operations	6

Legislation	Requirement	Page
<b>Financial statements</b>		
<b>Declarations</b>		
SD 5.1.4	Attestation for compliance with Standing Directions	59
SD 5.2.2	Declaration in financial statements	59
<b>Other disclosures</b>		
FRD 11A	Disclosure of ex-gratia payments	85
FRD 21C	Disclosure of responsible persons and executive officer	85
FRD 22H	Current year financial review and five-year summary	51, 52
FRD 10A	Disclosure index	79
FRD 22H	Subsequent events	88
FRD 103F	Non-financial physical assets	75
FRD 110A	Cash flow statement	65
FRD 112D	Defined benefits superannuation obligations	71

Legislation	Page
<i>Freedom of Information Act 1982</i>	52
<i>Building Act 1993</i>	52
<i>Protected Disclosure Act 2012</i>	52
<i>Victorian Industry Participation Policy Act 2003</i>	53
<i>Financial Management Act 1994</i>	59

# Acronyms

Acronym	Meaning
BAU	Businesses as usual
CARTs	Catchment Action Round Tables
CAP	Conservation Action Planning
CEO	Chief Executive Officer
CMA	Catchment Management Authority
DELWP	Department of Environment Land Water and Planning
EPBC Act	Environment Protection and Biodiversity Conservation Act
EPBC	Nationally threatened native species and ecological communities, native migratory species and marine species as listed under the EPBC Act
FOI	Freedom of Information
FTE	Full-time Employee
IBAC	Independent Broad-based Anti-corruption Commission of Victoria
ICT	Information and Communication Technology
KPI	Key Performance Indicator
MERIT	Monitoring, Evaluating, Reporting, Improvement Tool
NLP	National Landcare Programme
NRM	Natural Resource Management
RIF	Regional Indigenous Facilitator
RLC	Regional Landcare Coordinator
RLF	Regional Landcare Facilitator
PPWCMA	Port Phillip & Westernport Catchment Management Authority
RCS	Port Phillip and Western Port Regional Catchment Strategy
SLMC	Sustainable Land Management Coordinator
VAGO	Victorian Auditors General's Office
WH&S	Workplace Health and Safety
WiSA	Women in Sustainable Agriculture Leadership Group

# Index

Index	Page		Page
2016-17 Highlights	5	Financial Report	57
Acronyms	91	Financial Statements	59
Audit Committee	50	Financial Statements Statutory Certification	59
Balance Sheet	63	Financial Statements Independent Auditor's Report	60
Board	7	Financial Results	57
Business and Remuneration Committee	50	■ PPWCMA cumulative expenditure over five years	58
Cash Flow Statement	65	■ PPWCMA cumulative revenue over five years	58
Catchment Condition	40	■ PPWCMA five year financial summary	58
Chair's Message	6	■ PPWCMA revenue and expenditure in 2016-17	58
Chief Executive Officer's message	8	■ Sources of PPWCMA revenue over five years	58
Compliance	51	Governance	50
■ Availability of additional information	54	■ Board meetings	50
■ Capital projects	52	■ Internal Audit	50
■ Community inclusiveness and diversity	53	■ Committees	50
■ Compliance with the <i>Building Act 1993</i>	52	Government grants	15
■ Compliance with the <i>Catchment and Land Protection Act 1994</i>	52	■ Assessment Panel	51
■ Consultancies	52	Greening the Maribyrnong	32
■ Corporate Plan and Annual Report	51	Grow West	26
■ DataVic Access Policy	52	Indigenous Communities	24
■ Employees	9	Landcare movement	18
■ Employment and conduct	53	Living Links	28
■ Freedom of Information	52	Map of Port Phillip & Western Port Region	2, 17
■ Government advertising expenditure	52	Notes to the Financial Statements	66
■ Industrial relations	53	Organisational Chart	9
■ Information privacy	53	■ Steering Committee	51
■ International travel	53	Ramsar Protection Program	34
■ National Competition Policy compliance	53	Regional Catchment Strategy	12
■ <i>Protected Disclosure Act 2012</i>	52	Risk management	51
■ Statement of Obligations	52	■ Compliance Attestation	51
■ <i>Victorian Industry Participation Policy Act 2003</i>	53	Statement of Changes in Equity	64
■ Workforce	54	Summary of Performance	10
■ Workplace Health & Safety	55	Sustainable Agriculture	22
Comprehensive Operating Statement	62	Sustainable Land Management	20
Dandenong Ranges Program	38	Valuing our Volcanic Plains	36
Disclosure Index	89	Values	4
		Vision	4
		Workplace culture	56
		Yarra4Life	30





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