Lower Yarra and Kororoit Creek Local Management Rules

Amalgamation of Local Management Rules

September 2025

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Acknowledgement of Traditional Owners

We acknowledge the Victorian Traditional Owners and their Elders past and present as the original custodians of Victoria's land and waters. We pay our respects to their Elders past and present and to the ongoing living culture of Aboriginal and Torres Strait Islander Peoples.

Part A: Introduction

Background

The aim of the Lower Yarra and Kororoit Creek Local Management Rules (LMR) is to provide surface water users in five Yarra tributary catchments and the Kororoit Creek catchment with a management framework for the extraction of water from natural waterways.

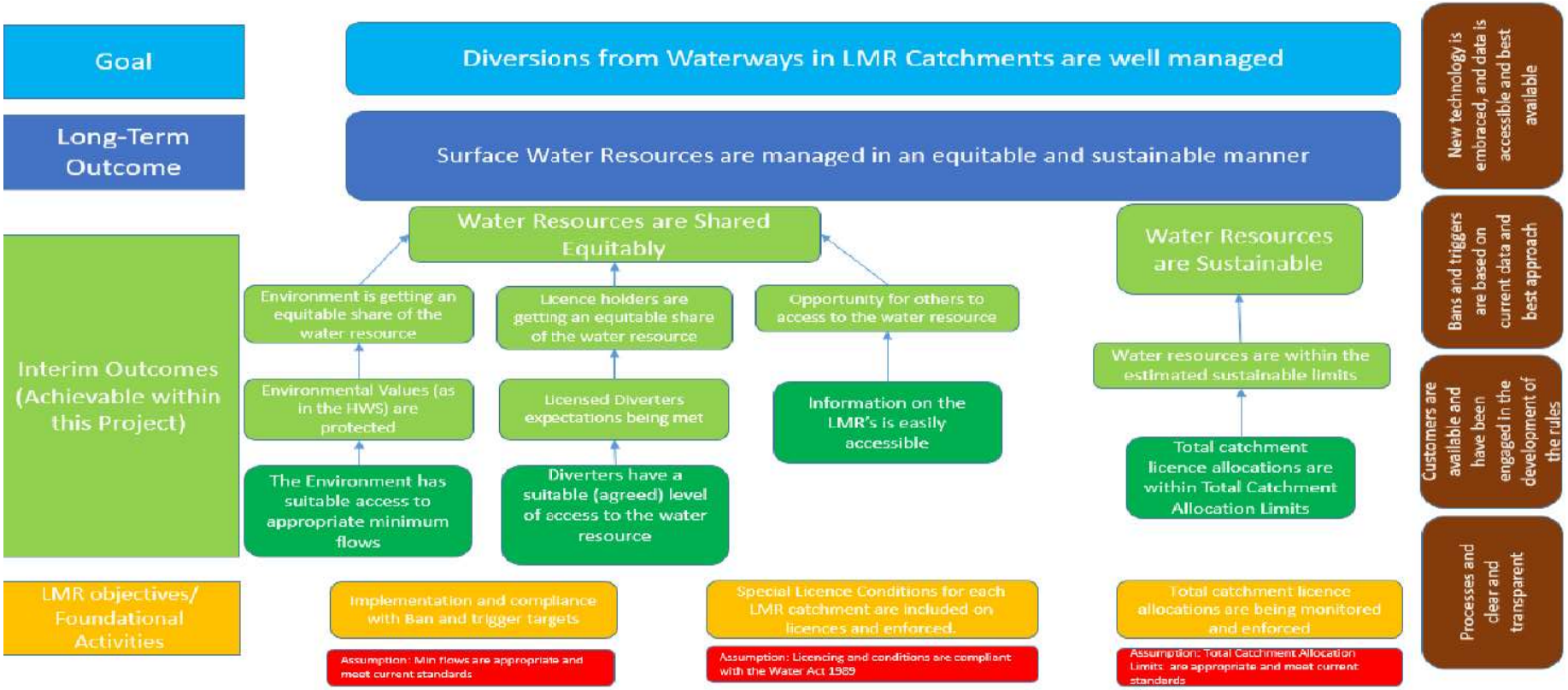
The LMR has been developed by Melbourne Water, in consultation with licence holders, and describes how we will manage the taking of surface water licensed under section 51 of the Water Act 1989 (the Act), using powers delegated under the Act and in accordance with Victoria's *Policies for Managing Take and Use Licences*. Melbourne Water is the Authority responsible for administering and enforcing the LMR.

The purpose of the LMR is to:

- ensure compliance with the Water Act 1989 and associated guidelines,
- document:
  - the management objectives for waterways situated in the six LMR catchments.
  - the specific rules and prescriptions regulating the consumptive 'take and use' of surface water from natural waterways in the LMR catchments (not including stormwater).
  - water sharing arrangements put in place for the equitable and sustainable use of surface waters between multiple users, including the environment.
  - the allocation limits that apply to the diversion of surface water from natural waterways in the LMR catchments.
- Support Melbourne Water's compliance and enforcement policies for management of unregulated catchments within Melbourne Water's remit.
- Support any other policy and process that may be relevant to the LMR.

Program Logic and Management Objectives

Figure 1: Program Logic for Local Management Rules[1]



[1] The long term outcome is also the same as for Stream Flow Management Plans and Local Management Plans

To contribute to the outcome, the management objectives of this LMR have been developed to strike a balance between protecting the environmental values within each individual catchment and providing our customers with access to a secure and reliable water supply for consumptive use.

The objectives for the LMR are:

1. To specify minimum passing flows that:
    - Help to meet the requirements of the environmental values identified.
    - provide reasonable reliability of water access to licence holders.
2. To stipulate Total Catchment Allocation Limits for each LMR catchment.
3. To prescribe licence conditions to be applied to all section 51 licences within the relevant LMR catchment.

This Plan adopts a flexible and adaptive approach to achieving these objectives through a regular review process (described is section F) in response to changes in the supply and demand for water and new environmental information.

Part B: Local Management Rules Catchments

Overview

The Plan covers approximately 1,110 km2 and includes the five lower tributaries of the Yarra River and the Kororoit Creek catchment (Figure 1).

The catchments covered under this Plan are:

a) Darebin Creek

b) Gardiners Creek

c) Kororoit Creek

d) Merri Creek

e) Moonee Ponds Creek

f) Mullum Mullum Creek

The plan area is predominantly urbanised, with significant areas of rural land in the upper parts of the Merri Creek, Kororoit Creek and Moonee Ponds Creek catchments.

The natural landscape of the plan area is diverse, being drier with basalt bedrock in the west, and wetter with dissected sedimentary bedrock in the east. Population growth is increasing the intensity of land use throughout the catchment, especially on the urban fringe where new development is converting grasslands to residential and industrial suburbs. Population growth and a drying climate is increasing the demand for water across the region, and some of the demand is expected to be sourced from the catchments covered by the Plan.

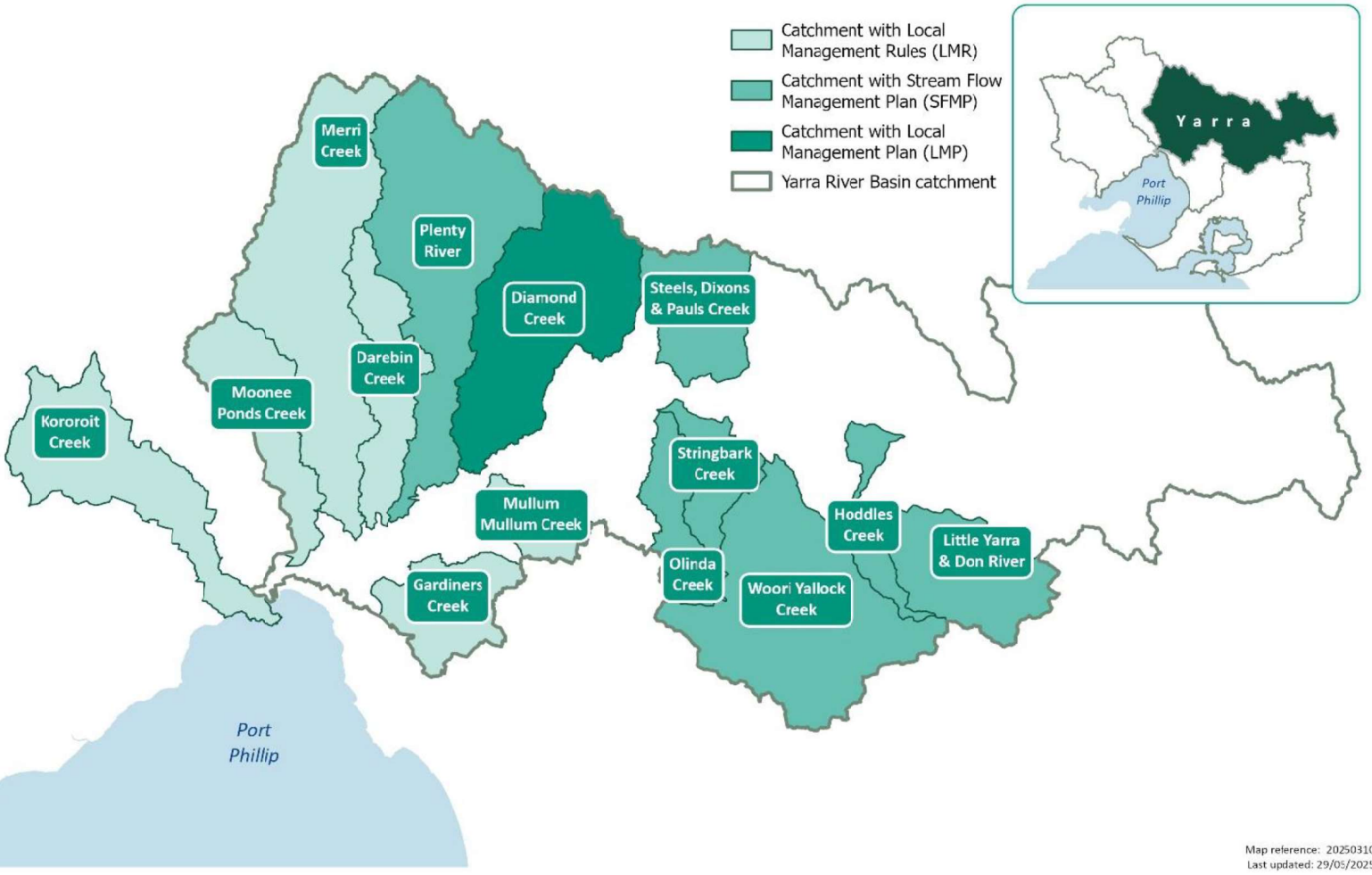


Figure 1 Local Management Plan catchments within the Yarra River Catchment.

Darebin Creek

Darebin Creek rises near Woodstock on Melbourne's northern outskirts, flowing through rural landscapes, then entering the urban and industrial areas of Epping, Reservoir and Heidelberg West, before joining the Yarra River at Alphington (Figure 3). A large proportion of the catchment (~75%) is within the urban growth boundary.

The creek has been heavily modified due to urbanisation and agricultural production, and the condition of environmental values (birds, fish, frogs, platypus, macroinvertebrates, and vegetation) are currently low and projected to remain low (YHWS 2018, pg. 39). These low scores are likely due to lack of suitable instream and riparian habitat, barriers to migration, reduced rainfall and flows, urban land use intensification, weeds and pest animals, and impacts from urban stormwater.

However, some threatened flora and fauna species such as the growling grass frog are present and the building of fishways on several barriers has improved the ability of native fish, such as common galaxias and short-finned eel to move through the creek. Climate change may also increase habitat suitability for some common and widespread fish species.

The extensive network of bike paths, parks and reserves, as well as sites of significant Aboriginal and European heritage, all contribute to a high social value for this creek. Maintaining the supply of recreational areas to keep up with population growth will be a challenge in the future.

The Darebin Creek catchment currently has 4 licences and 139 ML of licensed entitlement (Table 1).

Figure 2: Darebin Creek Sparks Reserve

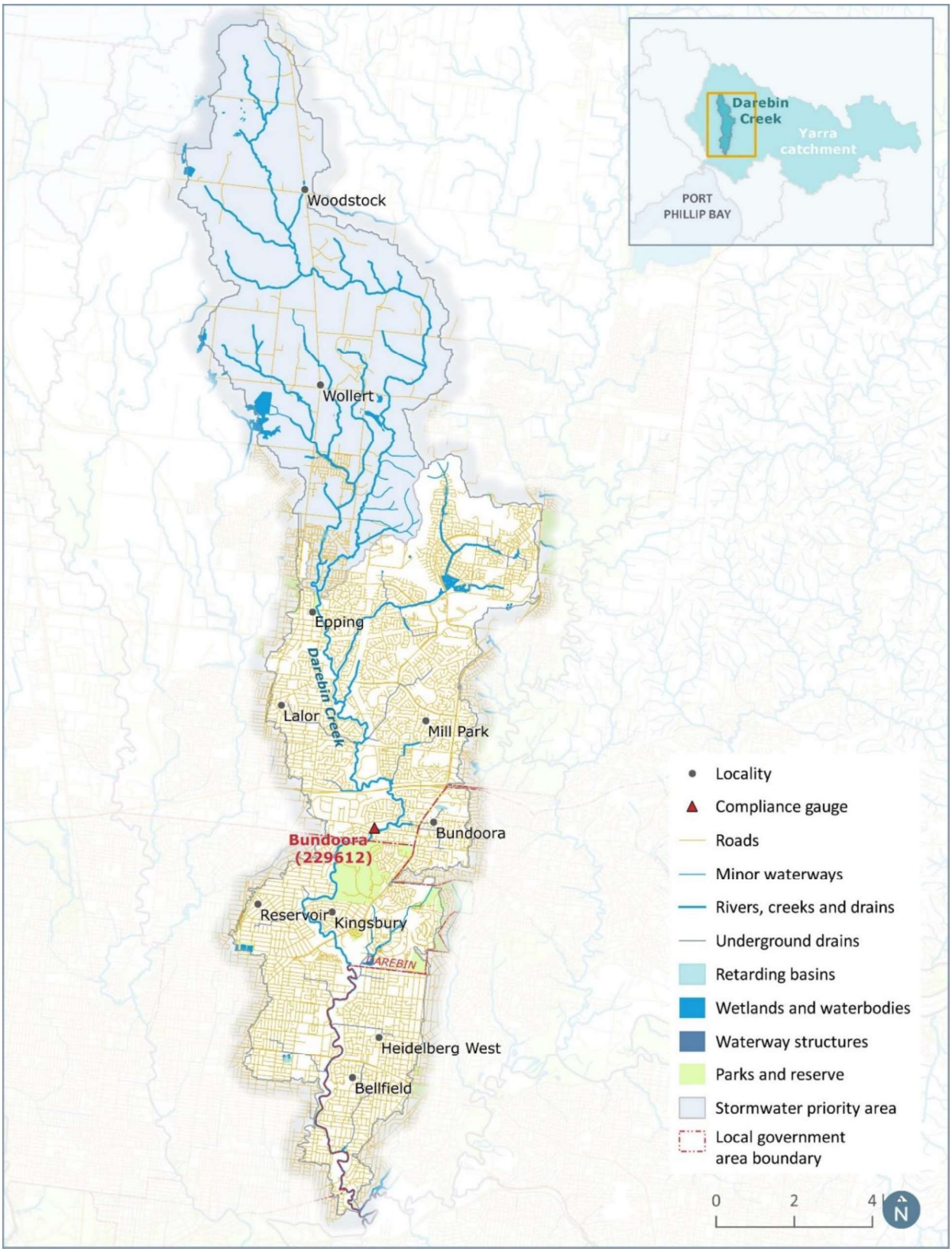


Figure 3: Darebin Creek catchment

Gardiners Creek

Gardiners Creek originates near Blackburn and flows through Burwood and Malvern East before following the Monash Freeway corridor to the Yarra River at Toorak (Figure 5). The Gardiners Creek catchment includes Scotchmans and Damper Creeks and has a predominantly urban catchment. The entire catchment is within the urban growth boundary.

Environmental values (birds, fish, frogs, platypus, macroinvertebrates, and vegetation) are currently moderate to very low and are likely to remain low (YHWS 2018, pg. 53). Although the system tends to rate poorly from an environmental perspective, the creeks support important species of native fish including common galaxias and climbing galaxias, water rats and the growling grass frog. Significant bird species also include the powerful owl, little egret and eastern great egret.

Climate change may increase habitat suitability for some common and widespread fish species. Improvements to stormwater management and instream and riparian habitat will also benefit a wider range of native fish species, particularly in sections with more natural channel. Without substantial improvements to stormwater and restoration of habitats, macroinvertebrate and platypus scores are likely to remain very low.

In a largely urban catchment, Gardiners Creek and other waterways have extensive networks of bike paths, trails, recreation reserves and parks, contributing to a high social value for this catchment.

The Gardiners Creek catchment currently has 7 licences and 291 ML of licensed entitlement (Table 1).

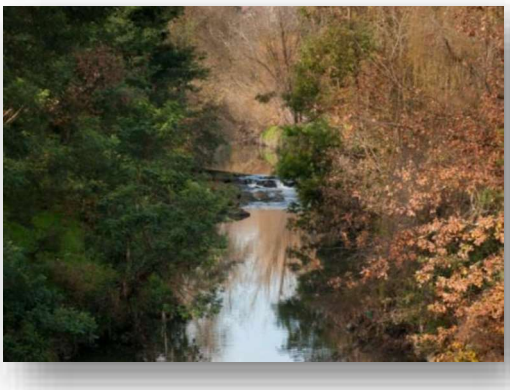


Figure 4: Gardiners Creek in the upper catchment

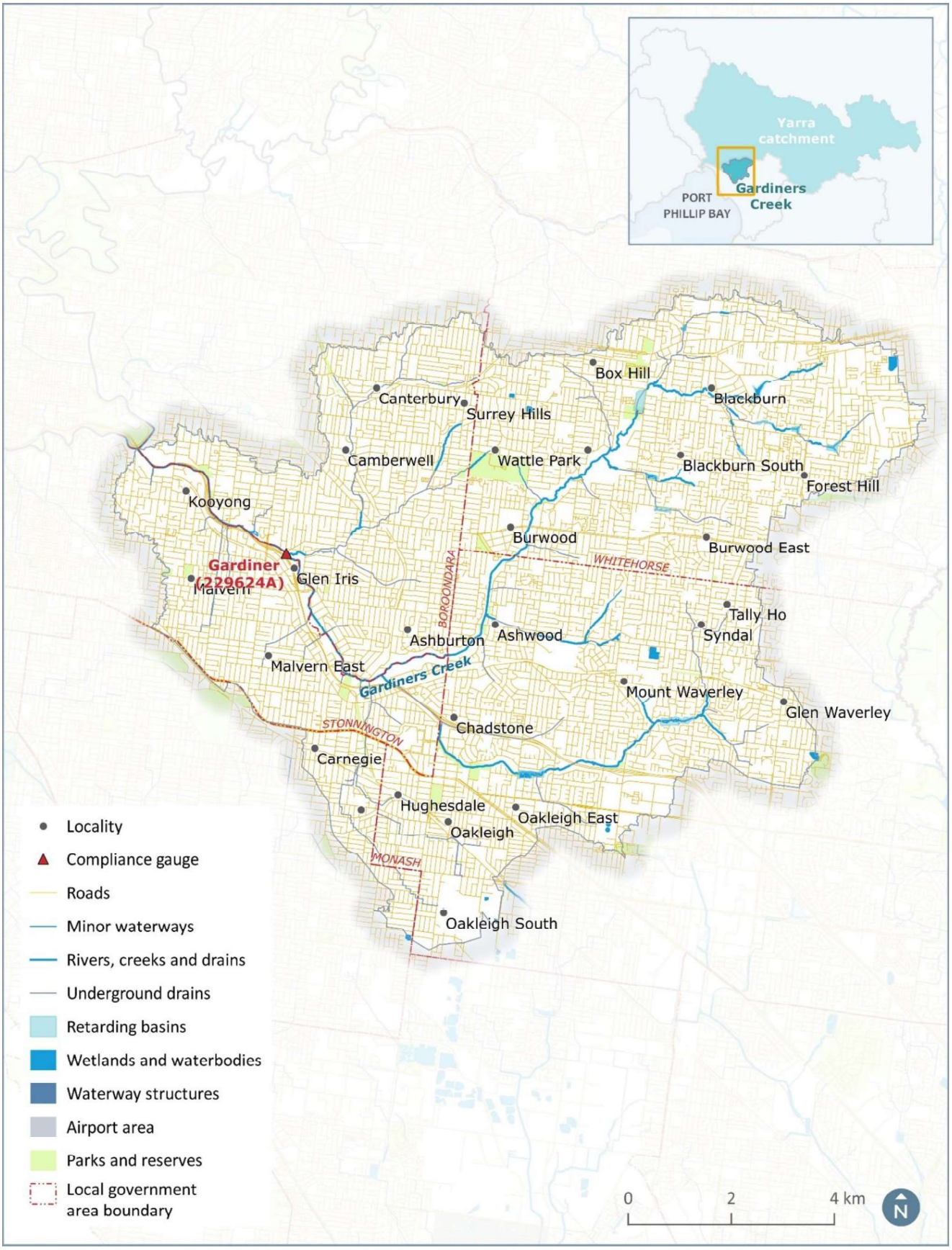


Figure 5: Gardiners Creek catchment

Kororoit Creek

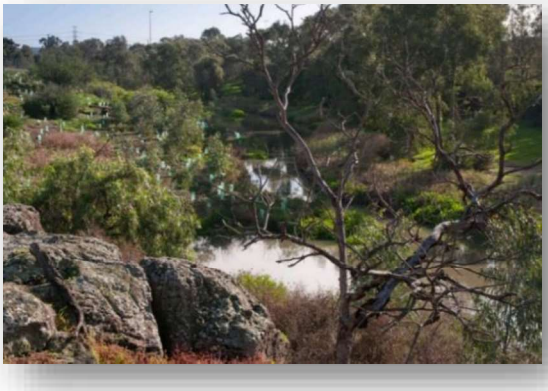
Kororoit Creek, which begins in the rural foothills of the Great Dividing Range around Gisborne and Sunbury, comprises two main branches, East and West Kororoit that join on the basalt plains above Melton (Figure 7). There is some licensed domestic and stock water use in the upper catchments, however a large proportion of the catchment (~65%) is within the urban growth boundary.

Kororoit Creek enters the western urban areas of Melbourne at Caroline Springs and Deer Park. It then passes through substantial areas of industrial land and other urban areas before meeting the bay at Altona.

Remnant native grasslands are found around the creek and these form habitats for the endangered Striped Legless Lizard and Growling Grass Frog. Native water rats are also found in large numbers. In its lower reaches the creek carries significant remnant of saltmarsh and white mangroves. It is also home to a number of waterbirds, including some rare and threatened species.

Fish and macroinvertebrate values are scored low to very low due to lack of flows and suitable habitat, poor water quality and barriers to migration (WHWS 2018, pg.39 and 59). Management of stormwater flows and improvements to riparian vegetation is predicted to improve the rating to moderate to high in the upper catchment. Platypus are no longer expected to be found in Kororoit Creek as a result of large-scale urbanisation, lack of suitable habitat and isolation from the Werribee and Maribyrnong River populations.

The creek is a major waterway in Melbourne's western region and has large areas of open space in otherwise built-up areas. There is considerable evidence that the creek was used extensively by Aboriginal people before European settlement. These factors contribute to a high social value for this catchment and importance of the Kororoit Creek catchment in the Healthy Waterways Strategy.



The Kororoit Creek catchment currently has no Section 51 licences (other than stormwater) and therefore no current licensed entitlement (Table 1).

Figure 6: Kororoit Creek at Altona

Figure 7: Kororoit Creek catchment

Merri Creek

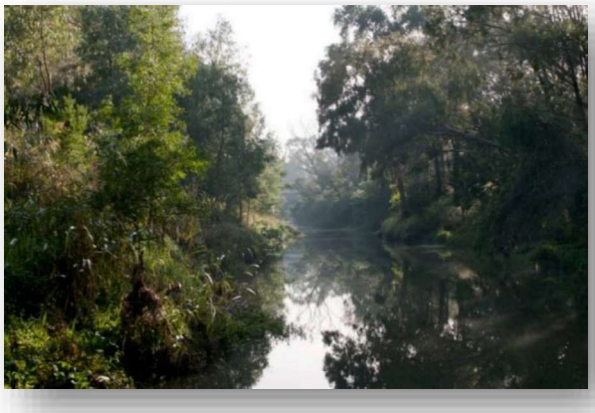
Merri Creek flows from the foothills of the Great Dividing Range near Wallan, through basalt plains north of Melbourne and joins the Yarra River at Fairfield (Figure 9). A large proportion of the catchment (~85%) is within the urban growth boundary.

The upper catchment sections are upstream of Craigieburn Road and associated major tributaries of Merri Creek in this section are Kalkallo, Malcolm and Aitken creeks. The lower catchment area of Merri Creek lies downstream of Craigieburn Road and associated major tributaries in this section include Edgars, Central and Merlynston creeks.

While the upper Merri Creek catchment currently is predominantly rural, land use along the course of the creek changes from pastoral to industrial, then urban to residential. Despite a history of land clearing and agricultural development, the rural reaches have retained some natural stream form and feature a number of sites of state and national conservation significance. The endangered growling grass frog is also found in several locations.

Environmental values (birds, fish, frogs, platypus, macroinvertebrates, and vegetation) in the Merri Creek catchment are currently moderate to very low (YHWS 2018). The target trajectory for most of these values is to achieve moderate to high scores in the upper catchment. In the lower catchment, macroinvertebrate, platypus and vegetation value are projected to remain low or very low without substantial stormwater management and habitat improvements.

Merri Creek has a very high social value with significant European and Aboriginal heritage, parks and reserves for passive recreation and extensive cycle and walking trails. Where Merri Creek and the Yarra River join is an important Aboriginal meeting place. The creek and surrounding lands were also important to Aboriginal Peoples for food, shelter and travel.



The Merri Creek catchment currently has 9 licences and 244.1 ML of licensed entitlement (Table 1).

Figure 8. Lower reaches of Merri Creek

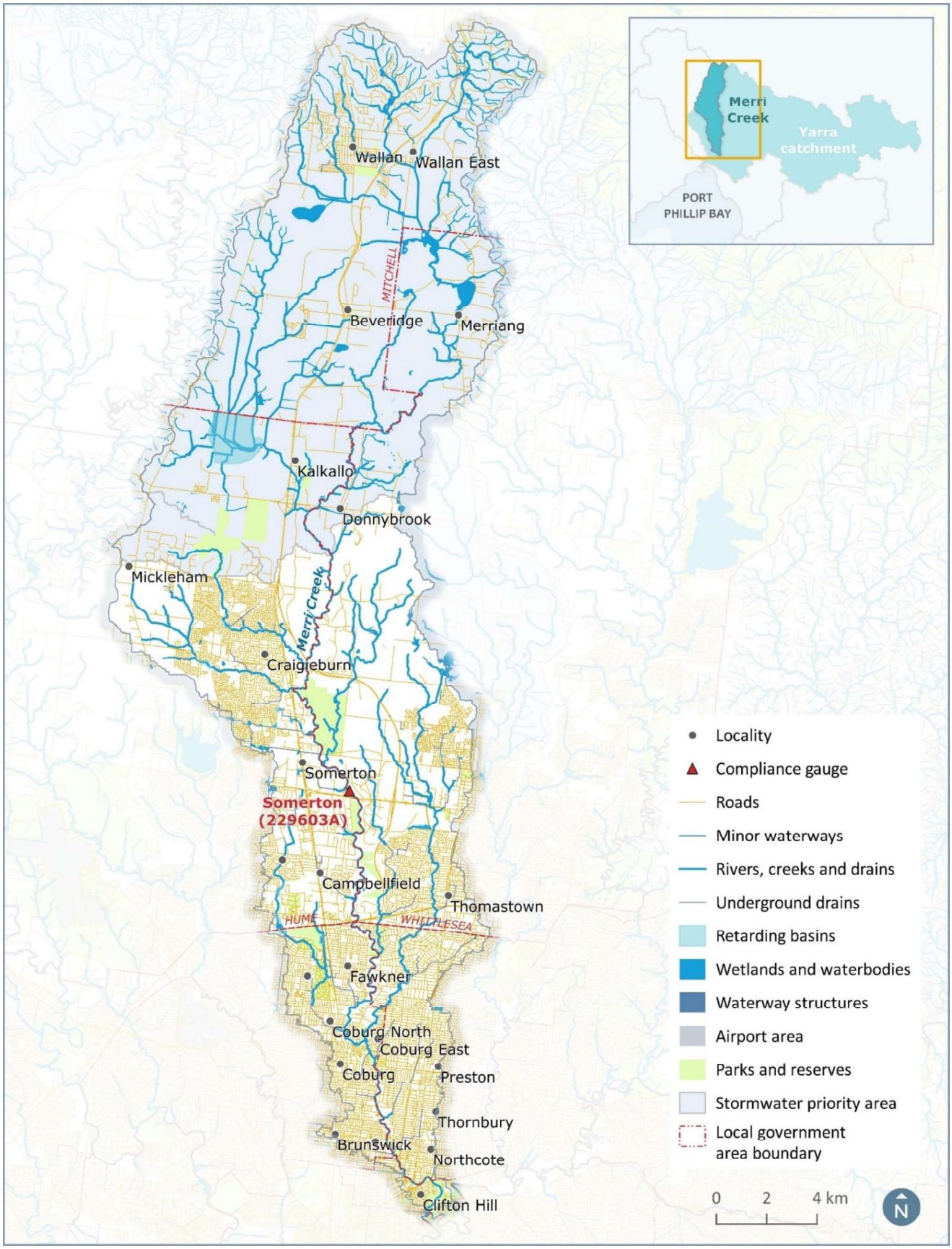


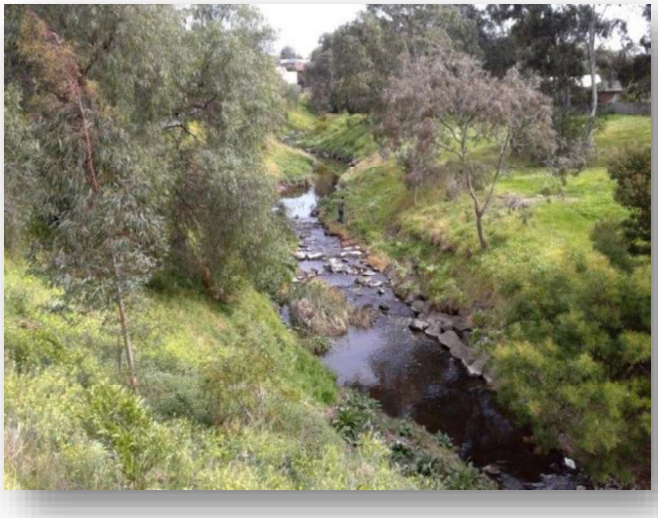
Figure 9. Merri Creek catchment

Moonee Ponds Creek

Moonee Ponds Creek originates north of Greenvale and flows through Woodlands Historic Parklands and along the Citylink route before joining the Yarra River at Docklands (Figure 11). Yuroke Creek is a tributary and joins Moonee Ponds Creek upstream of the Jacana wetlands. Major land uses in the catchment include Tullamarine and Essendon Airports, Melbourne Airport Golf Club and quarrying. A large proportion of the catchment (~70%) is within the urban growth boundary.

Most environmental values (fish, frogs, platypus, macroinvertebrates, and vegetation) in the Moonee Ponds Creek catchment are currently low or very low (MHWS 2018). This is largely due to lack of suitable habitat, large-scale urbanisation, urban stormwater impacts and barriers to migration. Platypus are no longer expected to be found in Moonee Ponds Creek. Significant frog species include growling grass frog and brown (Bibron's) toadlet. Bird values are rated moderate and significant species include eastern great egret and powerful owl.

These environmental values are unlikely to improve due to land use intensification, climate change effects and the volume and timing of flows. The channel is also highly modified in the lower catchment. Improvements to fish passage, instream and riparian habitat, water quality and flows will increase fish values, particularly in the upper catchment.



As an urban waterway with areas of open space and parkland, Moonee Ponds Creek has high social value and is popular for passive recreation.

The Moonee Ponds Creek catchment currently has 3 licences and 79 ML of licensed entitlement (Table 1).

Figure 10: Moonee Ponds Creek at Primrose Street

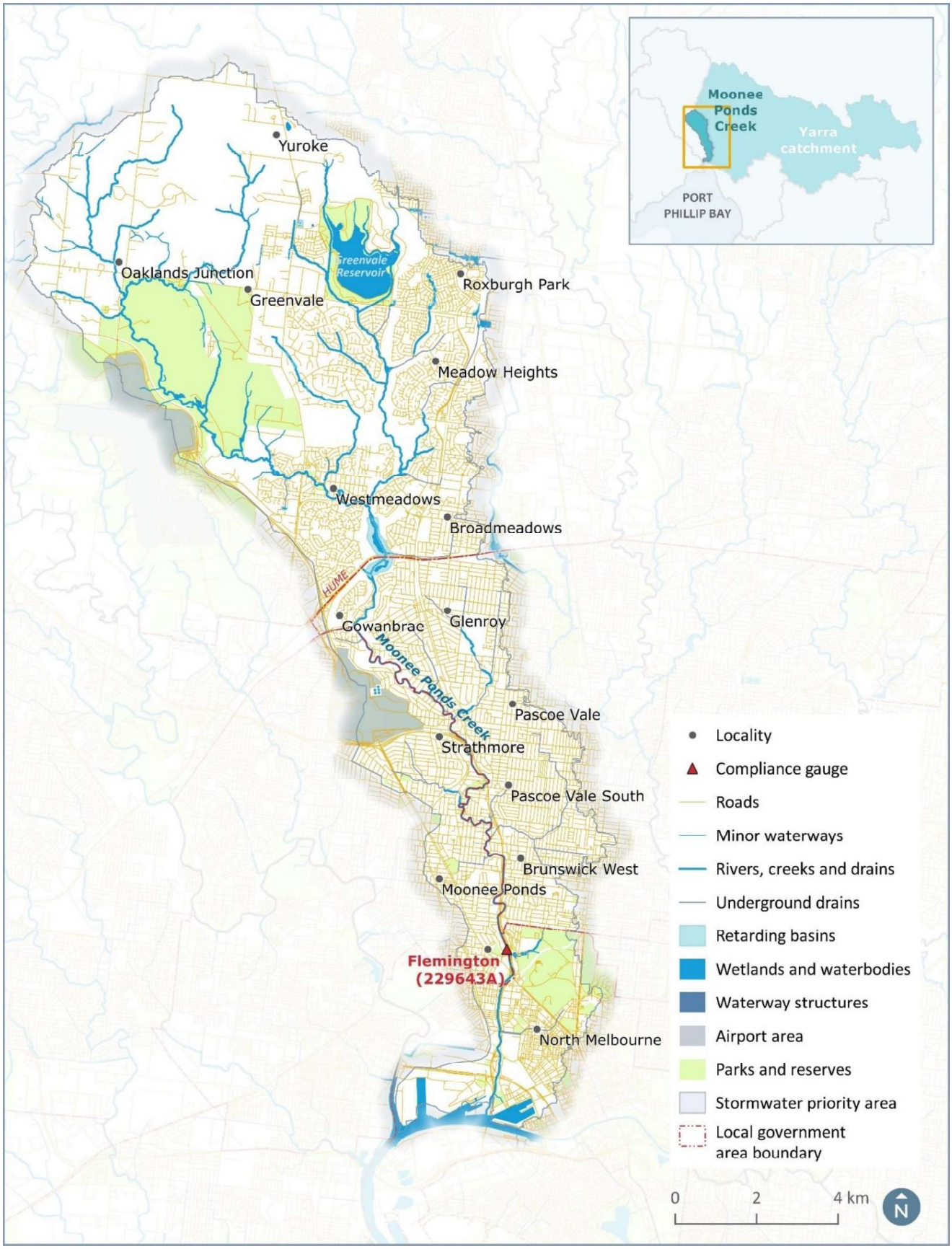


Figure 11: Moonee Ponds Creek catchment

Mullum Mullum Creek

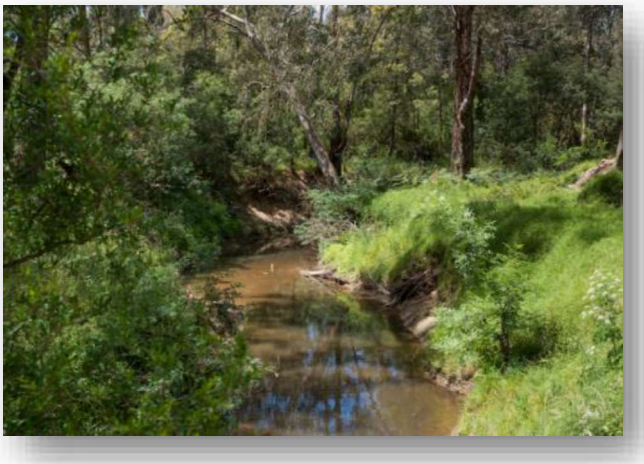
Mullum Mullum Creek is a small tributary of the Yarra River flowing from Ringwood and North Croydon through large areas of open space, before meeting the Yarra in the Yarra Valley parklands at Templestowe (Figure 13). The creek is fairly constrained, flowing off steeper slopes in urbanised areas. Most of the smaller feeder streams have been channelised or formed into formalised drains in urban settings. A large proportion of the catchment (~90%) is within the urban growth boundary.

Bird, frog and vegetation values are rated moderate in the catchment, with low fish scores and very low macroinvertebrate and platypus scores. There are some native plants remaining along the banks in open space reserves close to the Yarra River. Several native fish species including Macquarie perch, and the water rat still live in the creek. Works to improve habitat in the area have seen platypus return to the lower part of the creek.

Managing urban stormwater and improving instream and riparian habitat will support a wider range of species and improve fish values in the long term. Significant bird species include the powerful owl. Despite the effects of climate change, adequate investment in targeted management, such as riparian revegetation, should ensure the current riparian bird value is maintained. Without significant management of stormwater impacts and improvements in habitat, macroinvertebrate and platypus values are likely to remain very low.

Mullum Mullum Creek has also been affected by weeds, loss of habitat, and the impacts of changed flows, which have contributed to increased bank erosion. Water quality is degraded by urban runoff, as well as inputs from unsewered areas.

With extensive parklands and open space, the Mullum Mullum Creek catchment has high amenity and social value for passive recreation.



The Mullum Mullum Creek catchment currently has 3 licences and 10.5 ML of licensed entitlement (Table 1).

Figure 12: Mullum Mullum Creek

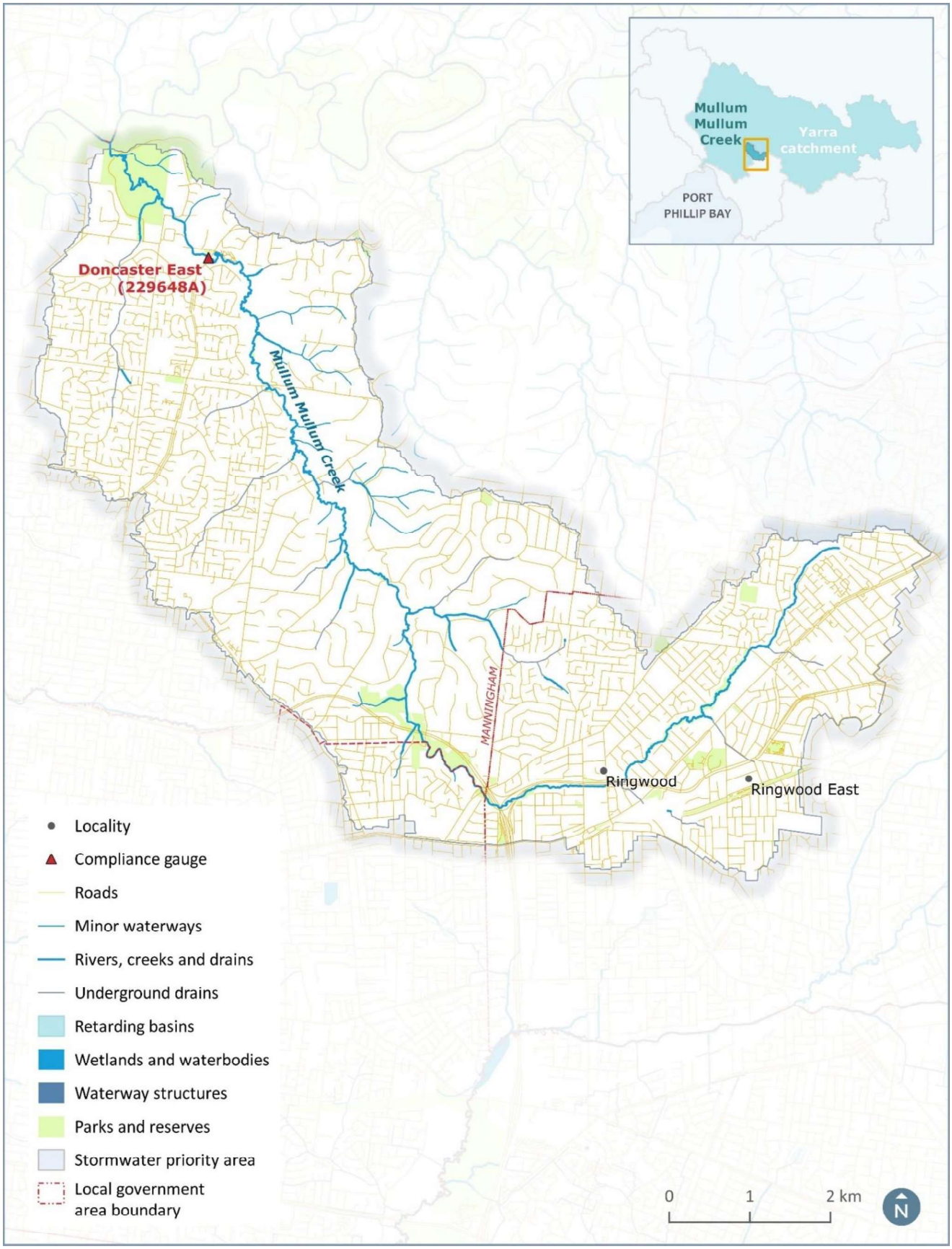


Figure 13: Mullum Mullum Creek catchment

Part C: Melbourne Water's Licensing Function

Melbourne Water manages licences to take and use water. Licences are held by water users who may take water directly from the waterway or from a dam according to the conditions on their licence.

Melbourne Water is authorised to perform this function by ministerial delegation under the *Water Act 1989.* Melbourne Water may:

a) Issue, transfer, amend, renew, suspend or cancel take and use licences,

b) Issue, transfer, amend, renew, suspend or cancel licences to construct, alter, operate, remove or decommission works on waterways,

c) Set conditions on licences,

d) Manage water demand during times of low stream flows, and

e) Authorise water transfers (trading of licences).

Melbourne Water is required to consider various matters when performing these functions. These matters are described in a number of guidelines including:

a) *Water Act 1989* (section 40 ~ Matters to be taken into account)

b) Stream flow management plan framework

c) Local Management Plan Guidelines (2014)

d) Victorian Waterway Management Strategy

e) Ministerial Policies for Managing Take and Use Licences.

Licensed Water Entitlements

A licence, issued under Section 51 of the Act, is required to take and use water from a waterway or dam for irrigation and commercial purposes and in some instances for domestic and stock use.

Section 51 licences can have different entitlement conditions. Licence types covered under this LMR are often referred to as either:

All-year licences	A licence issued with conditions that allow pumping from a waterway, or harvesting water in a dam, during any month of the year up to the licensed volume, subject to rostering and restriction rules.
Dam-filling (winterfill) licences	A licence issued with conditions that allow filling of an on or off stream dam during the nominated dam-filling period, typically by pumping from a waterway into a dam or collecting water in the dam on-stream. Outside of the filling period catchment and stream flows should be passed through or around the dam.
Farm dam registration	Catchment dams that were historically utilised for irrigation or commercial purposes were required to be registered or licenced by the *Water (Irrigation Farm Dams) Act 2002*. Registrations are granted in perpetuity, transfer with property ownership, and do not incur licence fees. Farm dam registrations can be converted into farm dam licences (see below).
Farm dam licences	Catchment dams that were historically utilised for irrigation or commercial purposes were required to be registered or licenced by the *Water (Irrigation Farm Dams) Act 2002*. Dam owners could choose to obtain a licence rather than a registration in order for the entitlement to be eligible to be traded away from the property. Farm dam licences incur annual licence fees. A Farm Dam Licences cannot be converted into farm dam registrations.

Table 1a and 1b summarise the licensed water entitlements (not including stormwater) as at June 2024 for individual catchments covered by this Plan. Licensed Domestic & Stock entitlement is summarised in Table 2. Detailed information can be located on the Victorian Water Register (waterregister.vic.gov.au).

Table 1a: Licence Volume (ML) by Licence Types in all catchments as at June 2025.

Catchment	All Year – Industrial or Commercial	All Year – Irrigation	Winter-fill	Licenced farm dam	Farm dam Registration	**Total**
Darebin Creek	-	7.0	48.0	61.0	23.0	**139.0**
Gardiners Creek	-	269.0	-	-	22.0	**291.0**
Kororoit Creek	-	0.0	-	-	-	**0.0**

Catchment	All Year – Industrial or Commercial	All Year – Irrigation	Winter-fill	Licenced farm dam	Farm dam Registration	Total
Merri Creek	-	71.0	14.0	-	159.1	**244.1**
Moonee Ponds Creek	-	3.0	-	-	76.0	**79.0**
Mullum Mullum Creek	5.0	2.0	-	-	3.5	**10.5**

Table 1b: Licence Number by Licence Types in all catchments as at June 2025.

Catchment	All Year – Industrial or Commercial	All Year – Irrigation	Winter-fill	Licenced farm dam	Farm dam Registration	Total
Darebin Creek	-	1	1	1	1	**4**
Gardiners Creek	-	6	-	-	1	**7**
Kororoit Creek	-	0	-	-	-	**0**[2]
Merri Creek	-	2	2	-	5	**9**
Moonee Ponds Creek	-	1	-	-	2	**3**
Mullum Mullum Creek	1	1	-	-	1	**3**

Other Water Use

Domestic & Stock

Water can also be taken for domestic and stock (D&S) use without a licence if a person owns land with direct frontage to a waterway, if the waterway flows through a person's property, or if rainfall run-off is collected in a dam and not used for commercial irrigation. As these are not licensed and water used can only be estimated. Accessing water for these purposes is a well-recognised private right for all landholders and does not require a licence as detailed in Section 8 of the *Water Act 1989.*

However, in some cases a person may require a licence to take and use water for D&S purposes when there is Crown land frontage or other private land between their property and a waterway. Table 2 summarises

[2] There are currently no Section 51 licensed water entitlements covered under this LMR in the Kororoit Creek catchment.

licensed D&S usages as at June 2024 for individual catchments covered by this Plan.

More information on D&S licensing can be found on the DEECA website: water.vic.gov.au/water-for-agriculture/taking-and-using-water

Table 2: Domestic & Stock licences in all LMR catchments as at June 2025.

Catchment	Entitlement Volume (ML)	Number of Licences
Darebin Creek	-	-
Gardiners Creek	-	-
Kororoit Creek	2.0	1
Merri Creek	-	-
Moonee Ponds Creek	-	-
Mullum Mulllum Creek	-	-

Groundwater

Southern Rural Water (SRW) is the responsible Authority overseeing the development and implementation of local management plans for groundwater resources across the Yarra Basin. More information can be found on SRW's website: https://www.srw.com.au/water-and-storage/groundwater-and-bores/groundwater

If groundwater extraction approaches "unsustainable" limits, a groundwater management plan is usually developed to define allocations and rules for groundwater users.

Surface water users want to emphasise the importance of managing both groundwater and surface water resources together. The *Water Act 1989* requires any groundwater management plan developed for the area to take account of the surface water management arrangements of this Plan.

Stormwater

The harvesting of stormwater from MWC's drains and waterways requires a stormwater harvesting licence under Section 51 of the *Water Act 1989*.

Stormwater harvesting licenses	A licence issued with conditions to connect to or harvest any quantity of stormwater from a waterway, stormwater drain, watercourse or open channel controlled by Melbourne Water. Stormwater can only be harvested within urban areas where

	significant development has occurred resulting in increased water runoff into drains and waterways above what would naturally occur, i.e. within the Urban Growth Boundary (Port Phillip & Western Port) as defined in the Melbourne 2030 strategic document (DSE, 2002).

In addition, the Water Act extends licensing requirements to the use of any water from a dam, lake or wetland for purposes other than domestic and stock use, this may include Council or private dam assets. The harvesting of urban stormwater directly from Council or local drains for commercial purposes is not covered by the Act and could presently be undertaken without MWC approval.

For further information on stormwater licensing and approval processes, Melbourne Water has a Stormwater Licensing and Harvesting Policy which provides information in relation to the procedures to be followed by Melbourne Water in issuing or transferring stormwater licences, as well as Guidelines for Stormwater Harvesting on Melbourne Water drainage assets. These policies and guidelines are available to all customers on the Melbourne Water website: melbournewater.com.au/planning-and-building/stormwater-management/stormwater-harvesting. A copy of these and other relevant policies or guidelines can be sent to any customer upon request. The number and volume of stormwater licences in the plan area is detailed in Table 3.

Table 3: Stormwater licences in all catchments as at June 2025.

Catchment	Entitlement Volume (ML)	Number of Licences
Darebin Creek	221.0	3
Gardiners Creek	109.0	2
Kororoit Creek (Western)	650	9
Merri Creek	207.0	7
Moonee Ponds Creek	623.3	4
Mullum Mullum Creek	-	-

Part D: Surface Water Management

Allocation Cap

Each LMR has an Allocation Cap set to ensure that usage within the catchment is within what is considered a sustainable level of take. This also contributes to keeping enough water in the system to meet the needs of the key values (including the environment).

The Allocation Caps are underpinned by a calculation of the Sustainable Diversion Limits specified by DSE (2003). The methodology calculates the volume of water that is available between the minimum passing flow and the median daily flow during the winter-fill period (1 July-31 October) in 80% of years.

The allocation limit for each LMR is based on the SDL for the winter fill plus any all year allocations.

The total allocated volumes for all LMR catchments are within their allocation caps.

The sustainable water allocation for each catchment is presented in Table 4.

Rule 1: Allocation Limit on Surface Water

(i) The all-year Sustainable Diversion limit will be the catchment Allocation Limit.

(ii) No new allocation will be issued due to the overarching Yarra Permissible Consumptive Volume (PCV).

Table 4: Allocation Limits for and allocation availability for individual catchments under this Plan

Catchment	Total catchment volume allocated (at June 2024) ML/yr	Calculated Sustainable Diversion/Allocation Limit ML/yr
Darebin Creek	139.0	420.7
Gardiners Creek	291.0	1195.3
Kororoit Creek	0.0	34
Merri Creek	246.1	283

Catchment	Total catchment volume allocated (at June 2024) ML/yr	Calculated Sustainable Diversion/Allocation Limit ML/yr
Moonee Ponds Creek	79.0	112[3]
Mullum Mullum Creek	10.5	402.7

Minimum Passing Flows

The minimum passing flow is designed to protect very low flows in the catchment creeks, both to protect environmental values in the creeks and to ensure that no single licence holder stops flow to the detriment of other users. The minimum passing flow also protects stream flow inputs to the Yarra River to protect its significant environmental and recreational values.

The minimum passing flows (Table 5) were calculated in 2005 from investigations of actual stream flows in each of the Plan catchments. In catchments where historical demand and environmental values are high, they were set with the aid of formal Environmental Flows Studies that documented flow requirements for specific environmental values. In other catchments, the fifth percentile flow was used as an estimate of minimum environmental flow and applied as the passing flow.

The minimum passing flows will be protected by diverters complying with the following:

Rule 2: Maintaining Passing Flows

(i) The licensing conditions that are referred to in Appendix 1 of this plan.

The status of minimum passing flows for the catchment along with the streamflow data will be posted and updated daily on the Melbourne Water website at melbournewater.com.au/diverters and available by calling Melbourne Water on 131 722.

[3] Moonee Ponds calculated sustainable diversion/allocation limit has been amended to 112 ML/year to include the two additional Farm Dam registrations identified post the original LMR.

The website will communicate the applicable status of bans, status of restriction, if applicable, and daily and rolling average stream-flow rates. The call centre will communicate the state of bans and restrictions only.

Bans and Restrictions

Bans may be required to ensure that during times of low-flow, the available water is shared equitably and used efficiently. Maximum daily rates of extraction may be specified in licence conditions depending on local circumstances.

Melbourne Water may prepare and implement restrictions or bans for taking and using water, in accordance with the principles specified in Appendix 2.

The catchments listed in this plan are relatively 'flashy', i.e. they experience very rapid increases and decreases in flows, higher peak flow, and extended periods of low flows between rainfall events. This, coupled with the relatively small number of water users in the catchment means the application of restrictions (rather than bans) is a less-useful tool in managing flow.

Current bans can be found on the Melbourne Water website at melbournewater.com.au/water/waterway-diversions/restriction-and-ban-status

Table 5: Bans Trigger levels for each catchment (*7 day average).

Catchment	Dates	Ban trigger / Minimum Passing Flow (ML/d)
Darebin Creek	1 Jan – 31 Dec	4.0
Gardiners Creek	1 Nov – 30 Jun 1 Jul – 31 Oct	3 5
Kororoit Creek	1 Jan – 31 Dec	2
Merri Creek	1 Jan – 31 Dec	2
Moonee Ponds Creek	1 Jan – 31 Dec	4
Mullum Mullum Creek	1 Nov – 30 Jun 1 Jul – 31 Oct	2 3

Bans are implemented or lifted when a catchment-specific trigger has been met, based upon seven day rolling average stream flow. The Licence holder cannot resume taking water until the seven-day average is greater than the trigger. Using a seven-day average as the trigger allows additional access to

water as flows recede and protects small and/or drought-breaking fresh events.

Surface Water Licences

No new entitlement volumes are currently being issued in the Yarra River or any of its tributaries, aside from stormwater harvesting licenses, following the declaration of the Permissible Consumptive Volume (PCV) in 2006 (revised 2024). Water trading and stormwater harvesting are the only way to access water allocations in the Yarra Basin for commercial or irrigation purposes.

Rule 3: Prohibitions on granting new allocations

Melbourne Water ***must*** refuse an application under section 51 (1)(a) or (b) of the Water Act if this will or may cause the total volume of water taken in any year under all licences in the individual catchment covered under this Plan:

(i) to exceed the catchment allocation limit set for individual catchment covered under this Plan; or

(ii) subject to sub-clause (i), the total volume of water taken in an individual catchment in any year under all-year licences to exceed the all-year allocation limit, or

(iii) subject to sub-clause (i), the total volume of water taken in an individual catchment in any year under winter-fill licences to exceed the winter-fill allocation limit; and

(iv) the change in volumetric entitlement of **all year** licences referred to in clause (ii) must be updated on an annual basis after the approval of this Plan until the target or 'sustainable' all-year allocation limit is reached (or reduced over time by the equivalent volume of licenses surrendered, cancelled, sold, or transferred out of an individual catchment if DEECA should request this occur to remedy prior over-allocation)

(v) to exceed the Permissible Consumptive Volume (PCV) declared for the whole of Yarra Basin (435,982 ML), plus any permitted change to the PCV since its introduction. Noting exceptions as defined in the Permission Consumptive Volume Surface Water Order 2024.

Trades and Transfers

As no new licences are being issued in the whole of Yarra Basin following the declaration of the Permissible Consumptive Volume (PCV) in 2006 (and updated in 2024), water licence transfers are the only mechanism to obtain water and promote water use efficiency by establishing a market to sell unused

entitlements and provide access to water. Licences can be transferred permanently or temporarily.

Water transfers promote efficiency and will result in licence holders moving water over time to its highest value use. It provides access to water in areas where no more new licences are being issued. However, water transfers also have the potential to increase overall water use, as unused licences become active. One of the objectives of Melbourne Water's trading policy is to encourage the trade of water entitlements from upstream rural catchments to downstream urban catchments

Information on the relevant rules and procedures that Melbourne Water are required to consider when assessing a trade or transfer request can be found on the Melbourne Water website at melbournewater.com.au and available by calling Melbourne Water on 131 722.

Rule 4: Trades and Transfers of surface water entitlements

1) Melbourne Water may approve a trade or transfer of a surface water licence under Section 62 of the Act provided that the relevant matters under Section 53 of the Act have been considered and the following are satisfied:
   (i) the approval of the application will not cause the limits referred to in Rule 1 of this Plan be exceeded.

   (ii) In deciding whether to amend, delete or add to the conditions to which a licence is subject when it is transferred, Melbourne Water may have regard to whether the location at which water is taken or collected will, or will not, change.

   (iii) Despite anything to the contrary, upstream trading of an existing licence (full allocation) to a farm dam catchment licence may be considered where the applicant can demonstrate ongoing historic use and previous qualification for a farm dam registration licence in accordance with section 51(1A) of the *Water Act 1989*, version incorporating amendments as at 1 July 2014.

2) Trading of water is subject to the following conditions:
   (i) For downstream trades:
      g) An all-year licence can remain as an all-year licence or be converted to a winter-fill licence.
      h) Winter-fill licences can be traded or transferred (100% licence allocation) but cannot be converted to an all-year license.
   (ii) Outside the Urban Growth Boundary, upstream trades are not permitted.
   (iii) Within the Urban Growth Boundary, upstream trades are subject to individual assessment, with the intent to facilitate increased stormwater harvesting

New Dams

The Act defines a private dam as "anything in which by means of an excavation, a bank, a barrier or other works water is collected, stored or concentrated but **does not** include:

a) anything owned or operated by a public statutory body; or

b) any works of an Authority or a licensee; or

c) a channel, drain or pipe; or

d) a bore."

Recent studies of numerous catchments across South-East Australia regarding the impact of farm dams on stream flows show that:

- the dams constructed to date have reduced stream flows;
- dams increase the frequency and length of periods of low and zero stream flow;
- building more dams would continue to reduce stream flows;
- for each ML of dam, annual stream flows are reduced by one to three ML due to evaporation and other losses; and
- the annual loss due to evaporation accounts for 10-20 per cent of dam volume in the wetter more humid areas of the state and up to 70 per cent of dam volume in drier areas.

Rule 5: New Dams

(i) Melbourne Water must not issue any licence under section 67 of the Act to construct a dam on a waterway within the individual catchments covered under this Plan, unless an Environmental Effect Study is deemed to minimise any environmental risks at the site.

(ii) A person must not operate a dam by taking, collecting, storing or concentrating water for aesthetic purposes at any time when, in the opinion of Melbourne Water, the volume of evaporation from that dam alone, or in combination with evaporation from other dams operated for aesthetic purposes would cause the respective catchment allocation limit for the area to be exceeded at any time in any year.

(iii) The total volume of water for domestic and stock purposes that may be taken from, or collected in, all private dams within a subdivision must not exceed the greater of:
  i) the total volume taken from, or collected, stored or concentrated in, all private dams on that land before the relevant plan of subdivision was approved; and
  j) the total volume required for domestic and stock purposes on that land, as determined by Melbourne Water in accordance with the Notes on Aesthetic Dams in the Irrigation and Commercial Farm Dams Compendium of Ministerial Guidelines and Procedures.

Part E: Monitoring Program

Monitoring, evaluation and reporting are vital for ongoing improvement in water resource management. The results allow adaptive management and input into the future review of management objectives and actions outlined in earlier sections of this Plan.

Surface Water Flows

In the individual catchment covered under this Plan, Melbourne Water must monitor surface water flows on a continuing and regular basis at designated gauging stations (Table 6) to ensure compliance in meeting and managing minimum environmental flow rules, arrangement and requirements in an appropriate and timely manner.

Flow data will be posted and updated daily on the Melbourne Water website at melbournewater.com.au/diverters and available by calling Melbourne Water on 131 722.

Monitoring information at each site is captured on a routine basis and made publicly available on the DEECA website (https://data.water.vic.gov.au/).

Melbourne Water must:

a) continuously record flows at each of the designated compliance gauging stations listed above; and

b) periodically inspect the condition of each of these gauging stations;

c) maintain each of these gauging stations in good condition;

d) keep a record of each inspection and all work undertaken under paragraph (a) or (b).

Table 6: Flow gauge number for each catchment.

Catchment	Flow Gauge no. (Name)
Darebin Creek	229612 (Bundoora)
Diamond Creek	229619B (Hurstbridge)
Gardiners Creek	229624A (Gardiner)
Kororoit Creek	231107A (Brooklyn)
Merri Creek	229603A (Somerton)
Moonee Ponds Creek	229643A (Flemington)
Mullum Mullum Creek	229648A (Doncaster East)

Meter Readings

Effective water resource management relies upon accurate and timely information about water usage patterns and volumes. This information will be collected by metering water extractions.

Melbourne Water will install meters to measure any water that is taken under licence. Meters are not required for licences less than 5ML in volume or for licences that are inactive. Most licences have already been metered. Melbourne Water must read all-year licence meters annually and read dam-filling licence meters at the start and end of the dam-filling period each year.

Melbourne Water has installed smart meters within some catchments. The meters have data loggers linked via communications, allowing the data to be downloaded in the office and the information viewed over a secure web link. The information will be stored in the Diversion database to assist with reporting on usage and compliance. Melbourne Water has also revised its Metering Action Plan which aims to upgrade and expand meters and our telemetry network to increase real time access to usage data. The Metering Action Plan can be found here: melbournewater.com.au/water-data-and-education/waterway-diversions/metering-pump-and-offtake-guidelines

Rule 6: Install Meters and record meter readings

Within catchments covered under this Plan, Melbourne Water will:

(i) Install a flow meter to measure water taken for irrigation or commercial purposes for licences over 5ML under section 51(1)(a) and (b) of the Act. The cost of new metering under this clause must be met by the applicant. Where Melbourne Water consider it beneficial, meters may be installed for licences under 5ML.

(ii) Read each meter at least:
- once in every year in the case of an all-year licence; and
- shortly after the beginning and end of the winter-fill period in every year, in the case of a winter-fill licence; and

(iii) If a meter becomes defective, registers incorrectly or is removed for any reason, estimate the correct registration in any of the following ways:
- k) by comparison with the quantity of water taken under similar conditions during some other period; or
- l) by comparison with the quantity of water taken after the meter has been restored to proper order; or
- m) by comparison with the registration of a substitute meter used temporarily in place of the defective meter; or
- n) by applying a correction factor if the meter is found to have a consistent error of registration.

Compliance & Enforcement

Water is a precious and limited resource, so it's important that everyone has fair access to it. Water theft undermines the health of our environment and impacts other users, which threatens communities and our economy. Effective and strong compliance ensures fair access for all water users, protecting those who do the right thing and encouraging community confidence in diversion licensing.

If you take water without proper authorisation you may be guilty of an offence under the *Water Act 1989* and be liable for prosecution. This may include taking water without a licence or taking more water than your licence allows.

The Victorian Government is continuing its zero-tolerance approach to water theft, introducing tougher penalties from 1 July 2020. As a licence holder you are also required to comply with your licence conditions. Water corporations can now issue penalty infringement notices for unauthorised take and use of water and other offences, potentially resulting in fines and/or the suspension or cancellation of your licence. The DEECA compliance and enforcement policy can be accessed at water.vic.gov.au/water-for-agriculture/taking-and-using-water/non-urban-water-compliance-and-enforcement-in-victoria

Under the *Water Act 1989*, we are responsible for making sure people comply with the conditions of their licence. We do this through:

a. **Compliance** – proactive activities to prevent breaches (like water theft), such as metering and data loggers to monitor water use, inspections, audits and reporting

b. **Enforcement** – reactive activities when breaches are detected, including warning notices, penalty infringement notices, licence suspension or cancellation, and prosecution.

Ecological Monitoring

Melbourne Water undertakes ecological monitoring as part of the Healthy Waterways Strategy (https://healthywaterways.com.au/.) and detailed in the MERI[4] monitoring system. This includes various ecological and water quality monitoring. This data can be used to determine the plans effectiveness if required.

[4] MERI stands for Monitoring, Evaluation, Reporting and Improvement.

Part F: Implementation

Reporting

Melbourne Water will prepare an annual summary for this Local Management Rules that includes:

a. Licence information - number and volume of licences in each catchment in relation to the allocation limit
b. Actions being undertaken to bring licenced volume within the allocation limit (if and when required)
c. Metered usage (water volume) taken
d. Compliance information – number of investigations and activities undertaken in response
e. Number and volume of Licence trades or transfers
f. Water availability (the number of days when pumping bans were in place)

The report will be prepared by the end of each calendar year using data from the previous water year, which ends in June.

Contact Details

Melbourne Water
PO Box 4342
Melbourne VIC 3001
Australia

Local Phone: 131 722
(Available Monday to Friday, 8:30 am to 5 pm)

Email: enquiry@melbournewater.com.au
Website: www.melbournewater.com.au/contact-us

Disclaimer

Part G: References

Alluvium (2020) *Sustainable Diversion limits for the Lower Yarra and Kororoit Creek Local Management Plan* Unpublished memo for Melbourne Water, June 2020

DSE (2002). *Melbourne 2030: Planning for sustainable growth,* Victorian State Government Department of Sustainability and Environment (now DEECA), Melbourne.

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GHD (2019). Melbourne Water Corporation – Application of Risk Assessment Prioritisation Tool to Streamflow Management Plan (SFMP) Catchments Project Report. Document prepared for Melbourne Water.

Melbourne Water (2018a) Healthy Waterways Strategy. Document prepared for Melbourne Water.

Melbourne Water (2018b) Harvesting stormwater from urban waterways: principles and framework for evaluating applications

Melbourne Water (2016). Diamond Creek Local Management Plan 2016. Document prepared for Melbourne Water.

Melbourne Water (2015) Guidelines for stormwater harvesting Melbourne Water drainage assets, access at melbournewater.com.au/building-and-works/stormwater-management/stormwater-harvesting/stormwater-harvesting-licence

Melbourne Water (2005a). Darebin Creek Local Management Rules 2005. Document prepared for Melbourne Water.

Melbourne Water (2005b). Gardiner's Creek Local Management Rules 2005. Document prepared for Melbourne Water.

Melbourne Water (2005c). Kororoit Creek Local Management Rules 2005. Document prepared for Melbourne Water.

Melbourne Water (2005d). Merri Creek Local Management Rules 2005. Document prepared for Melbourne Water.

Melbourne Water (2005e). Moonee Ponds Creek Local Management Rules 2005. Document prepared for Melbourne Water.

Melbourne Water (2005f). Mullum Mullum Creek Local Management Rules 2005. Document prepared for Melbourne Water.

Victorian Water Register: waterregister.vic.gov.au

2024 - Water Act 1989 - PERMISSIBLE CONSUMPTIVE VOLUME SURFACE WATER ORDER 2024 (Victorian Government Gazette)

Part H: Appendices

Appendix 1 – Licence Conditions

1. **Licence to take and use water from a waterway for any purpose:** *[section 51(1)(a)]*

1.1) The Licensee must not take any water from a waterway when the specified stream flow at a designated compliance gauge (Table 7) of an individual catchment covered under this Plan is as follows:

Table 7: Specified stream flow volumes (ML) for each catchment.

Catchment	Dates	Stream flow (in any year)
Darebin Creek	1 January and 31 December	4 ML or less per day
Gardiners Creek	1 November and 30 June 1 July and 31 October	3 ML or less per day 5 ML or less per day
Kororoit Creek	1 January and 31 December	2 ML or less per day
Merri Creek	1 January and 31 December	2 ML or less per day
Moonee Ponds Creek	1 January and 31 December	4 ML or less per day
Mullum Mullum Creek	1 November and 30 June 1 July and 31 October	2 ML or less per day 3 ML or less per day

1.2) The Licensee must comply with any rostering, restriction or other arrangements prepared and implemented by Melbourne Water under the Local Management Plan and Drought Response Plan.

1.3) The Licensee must, in order to determine their entitlement to take water from a waterway, check the restriction or ban status within their catchment before taking water under their licence, either by calling 131 722 or at the website melbournewater.com.au/diverters

2. **Licence to take water from a waterway to fill a dam:** *[section 51(1)(a)]*

2.1) The Licensee must not take or collect water from a waterway to fill a dam outside the defined winter-fill period (Table 8), regardless of whether the dam is built on or off a waterway, at all other times the entire run-off must be passed around the dam:

Table 8: Permitted dam filling periods for each catchment.

Catchment	Permitted Dam Filling Periods											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Darebin Creek	1 Jul			31 Oct								
Gardiners Creek	1 Jul			31 Oct								
Kororoit Creek	1 Jul			31 Oct								
Merri Creek	1 Jul			31 Oct								
Moonee Ponds Creek	1 Jul			31 Oct								
Mullum Mullum Creek	1 Jul			31 Oct								

2.2) The Licensee must, at all times ensure that there is natural inflow into the on-stream storage during winter-fill period and maintain a flow in the waterway downstream of the storage, to the satisfaction of the Authority.

2.3) Bypass mechanisms must be installed on on-stream and catchment dams and maintained in good working order to ensure that no run-off is harvested outside the take period.

2.4) Plus other relevant conditions