ANNUAL REPORT 2025–2026



mallee
catchment management authority

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ACKNOWLEDGEMENTS

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

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

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



Cover Images
Catfish Billabong in flood.
Mallee Emu-wren.

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Contact Us

Mallee Catchment Management Authority

Agriculture Victoria Complex
Corner of Eleventh Street and Koorlong Avenue,
Irymple Victoria 3498

PO Box 5017 Mildura Victoria 3502

T 03 5001 8600

E reception@malleecma.com.au

malleecma.com.au



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DECLARATION IN REPORT OF OPERATIONS

Responsible Body's declaration

In accordance with the *Financial Management Act 1994* (Vic), I am pleased to present Mallee Catchment Management Authority's Annual Report for the year ending 30 June 2026.

Narelle W. Heard.

Narelle Heard
Board Chair
Mallee Catchment Management Authority

23 September 2026





Providing for extensive and effective engagement of our communities and delivery partners continued to be integral to the delivery of Mallee CMA programs in 2025–26.

PART 1

YEAR IN REVIEW





Chair's Report

The work delivered by Mallee Catchment Management Authority (CMA) during 2025–26 demonstrates the organisation's enduring commitment to protecting and enhancing our region's natural, cultural, and productive landscapes through effective partnerships with our communities and key regional stakeholders.

Mallee CMA's Annual Report 2025-26 documents our progress toward delivering Victorian Government objectives and priorities, within the context of the *Catchment and Land Protection Act 1994* (CaLP Act), the *Water Act 1989*, and Ministerial Expectations.

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

The following notes highlights of work according to the 2025–26 Ministerial Expectations for the organisation.

Climate Change

Mallee CMA has continued to plan for and respond to a changing climate by ensuring that the design and delivery of regional NRM programs considers opportunities to provide for adaptation and resilience outcomes. Initiatives delivered in 2025–26 to support this approach included the 'Delivering Water to High Value Cultural Heritage in a Changing Climate' project being implemented as part of the Water Cycle Adaptation Program; participation in the BushBank program through delivery of the 'Restoring Mallee Connections – sequestering carbon and securing biodiversity' project; and coordination of Mallee Drought Resilience Plan Implementation Grants and associated Governance Group to support the implementation of activities that build community and individual resilience to drought.

Customer, Community and Engagement

Providing for extensive and effective engagement of our communities and delivery partners continued to be integral to the delivery of Mallee CMA programs in 2025–26. This included targeted events to build stakeholder capacity and enhance the region's cooperative delivery approaches with activities such as field days, workshops, training events and meetings collectively engaging 4,158 participants and facilitating 92 formal partnerships over the year. Eighty percent of participants evaluating Mallee CMA facilitated engagement activities rated them as excellent, 18% as good, 2% as fair and 0% as poor.

The 293 communication materials and 184 social media posts produced also provided effective engagement mechanisms by promoting our region, the NRM programs being delivered, and involvement opportunities to a large and diverse audience. Key approaches used to disseminate information included media articles in local newspapers, the ongoing publication of recognised newsletters, development of regionally specific educational resources, and regular social media content across a range of platforms.

Recognise Aboriginal Values

Direct engagement of Traditional Owners to plan for and deliver Cultural Heritage Assessments, on-ground environmental works, and associated monitoring activities throughout 2025–26 has supported formal recognition of Aboriginal cultural values, and the important role Aboriginal people play in caring for Country, while also supporting self-determined participation and economic inclusion in NRM across the region.

This included the establishment of 13 formal partnership agreements with Traditional Owners to support incorporation of, and delivery against, cultural objectives and priorities, and the application of Traditional Owner-led practices (e.g. revegetation, invasive species management) to manage and heal Country.

Recognise Recreational Values

Mallee CMA recognises that enhancing the recreational values of priority waterways is integral to our waterway management role and that effective stakeholder engagement is essential in ensuring alignment with local objectives and facilitating collaborative outcomes. In 2025–26 this included community consultation activities being delivered to identify recreational values and priorities for the region's Flagship Waterway sites (Merbein Common and Kings Billabong).

Recreational values and objectives also continued to be embedded within environmental watering processes, with the five Environmental Water Management Plans reviewed and updated in 2025–26 also incorporating stakeholder priorities relating to associated sites.

Resilient and Liveable Cities and Towns

Initiatives that enhance public spaces and urban waterway values through integrated waterway management (IWM) collaborations continued to be supported through participation on the Northern Mallee Integrated Water Management Forum.

Key actions progressed during 2025–26 included the completion of a feasibility study on repurposing disused irrigation infrastructure to provide a reliable and cost-effective way of delivering environmental water to Lake Hawthorn.

Leadership, Diversity, and Culture

Through implementation of our Diversity and Inclusion Plan and Gender Equality Action Plan, Mallee CMA has continued to demonstrate a commitment to building a diverse workforce, while encouraging leadership and culture. Key actions progressed in 2025–26 included sponsoring 'women in leadership' learning and development opportunities, ensuring gender balance in committee membership and recruitment processes, providing youth and First Nations employment opportunities, participating in gender identity days, and making health and wellbeing initiatives available to all employees.

Performance and Financial Management

Our commitment to a high level of corporate governance continues to be demonstrated through the maintenance of ISO 9001:2015 certification for our Quality Management System, with recertification for the 2025–28 period achieved in October 2025.

Opportunities for integrated outcomes across the region continued to be identified and progressed through stakeholder participation in the Mallee's two Catchment Partnership Committees (CPCs).



Catfish Billabong regulator.



Fencing to protect riparian area.

These Sustainable Agriculture and Biodiversity/Water focused forums are delivering against the objectives of the Mallee Catchment Partnership Agreement by enhancing knowledge sharing between members and further strengthening collaborative approaches to NRM.

Waterway and Catchment Health

Mallee CMA programs and projects collectively delivered some 415,000ha of environmental works throughout 2025–26 to protect and improve the region's priority land, water, and biodiversity assets. Alignment with priorities set out by the 2022–28 Mallee Regional Catchment Strategy (RCS) facilitated 95 percent of these works being delivered within the region's high value landscapes to support integrated catchment management outcomes for the multiple asset types occurring within these areas.

Implementation of the Mallee Waterway Strategy was also supported, with over 49,000ha of these works being targeted to the region's priority waterways to deliver against environmental, economic, social, and cultural objectives identified for each site. This included each of the four sites identified by Water for Victoria as a priority for the Mallee: Merbein Common wetlands, Lindsay-Wallpolla Islands, Belsar-Yungera Floodplain complex, and Kings Billabong and Woorlong complex.

Water for Agriculture

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

In 2025–26, this included completion of the BSM2030 Nyah to SA Border Accountable Action Review; updating Regional Irrigation Development Guidelines; ongoing implementation of regional surface and groundwater monitoring programs; and undertaking research to identify and validate the effectiveness of different actions to manage salinity across the landscape.

Conclusion

It is with pleasure; I present to you the Mallee CMA Annual Report 2025–26.

Narelle W. Heard.

Narelle Heard
Board Chair
Mallee Catchment Management Authority
23 September 2026

Vision, Mission, Values

MISSION

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

VISION

Healthy and resilient landscapes being cared for by connected communities.

OUR VALUES AND BEHAVIOURS

The Mallee Catchment Management Authority (CMA) Board, management, and employees agree to work by the Victorian Public Service Values and Codes of Conduct. We strive to be a workplace of first choice through the development of a positive can-do culture that pursues excellence.

The Mallee CMA Board, management and employees will demonstrate the following values and behaviours in all aspects of their work (see Figure 1).



Figure 1 | Values and Behaviours

Manner of establishment and responsible Ministers

Mallee CMA is established under the *Catchment and Land Protection Act 1994* (CaLP Act). The Act is jointly and severally administered by the Minister for Water and the Minister for Environment.

The responsible Ministers during the reporting period were:

- The Hon. Gayle Tierney MP, Minister for Water, 1 July 2025 to 14 April 2026
- The Hon. Harriet Shing MLC, Minister for Water, 15 April 2026 to 30 June 2026
- The Hon. Steve Dimopoulos MP, Minister for Environment, 1 July 2025 to 14 April 2026
- The Hon. Enver Erdogan MP, Minister for Environment, 15 April 2025 to 30 June 2026

Nature and range of services provided

The Mallee CMA region covers 39,939 km^2, around one-fifth of Victoria. The largest catchment management area in the state, it runs along the Murray River from Nyah to the South Australian border and south through vast dryland cropping areas and public reserves.

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

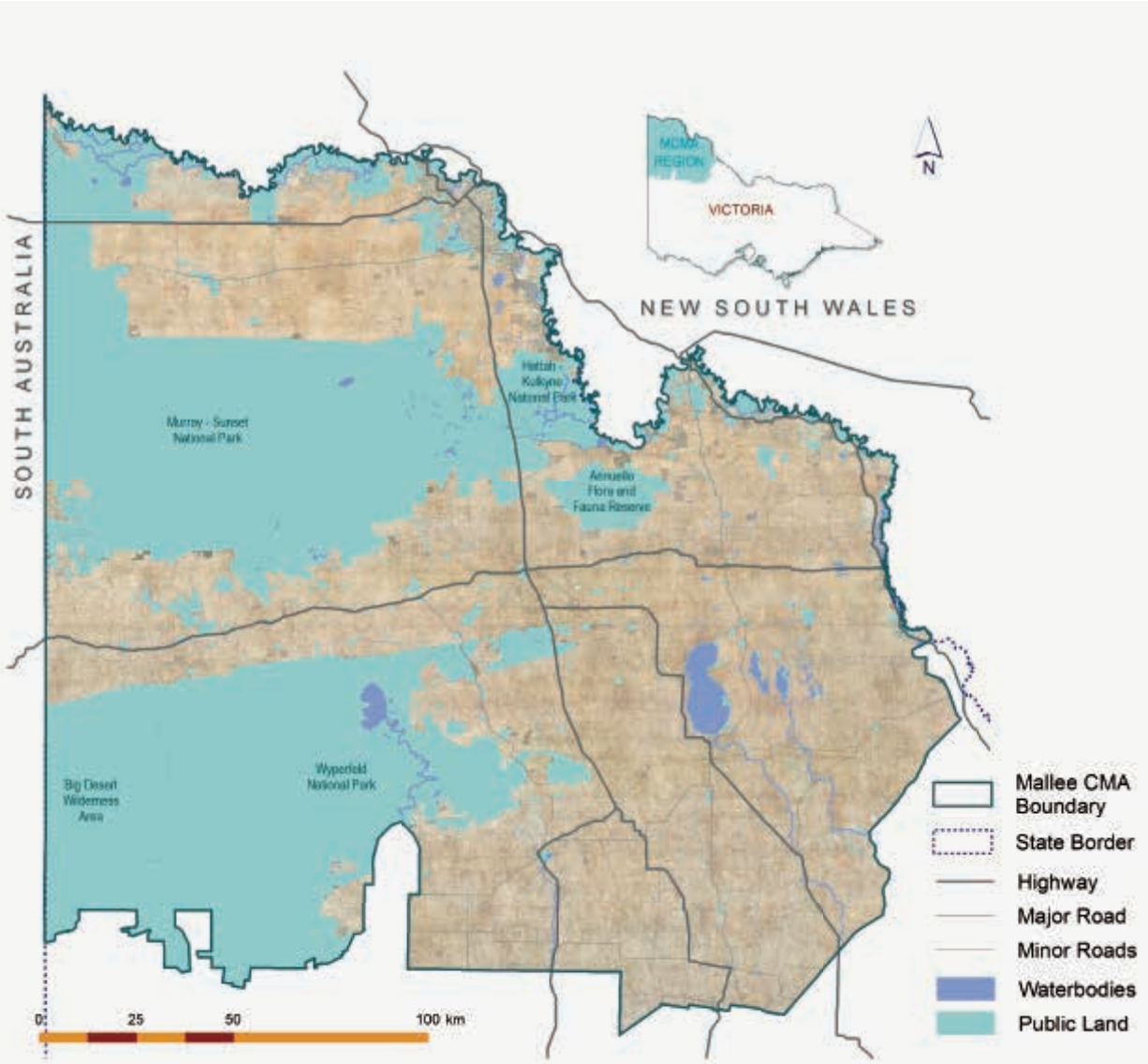


Figure 2 | Mallee CMA region

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

- Biodiversity
- Waterways
- Agricultural Land
- Culture and Heritage
- Community Capacity for Natural Resource Management (NRM).

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

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

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

Objectives, functions, powers, and duties

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

- Facilitate and coordinate the management of catchments in an integrated and sustainable manner as it relates to land, biodiversity, and water resources
- Plan and make decisions within an Integrated Catchment Management (ICM) context that balance social, economic, and environmental outcomes
- Target investment to address priorities and maximise improvement in resource condition of catchments, land, biodiversity, and water resources
- Provide opportunities for community engagement in the integrated management of catchments and natural assets including land, biodiversity, and water resources
- Develop strategic partnerships with relevant stakeholders including public authorities and government agencies
- Promote and apply a risk management approach which seeks to protect, enhance, and restore natural assets and reduce the impact of climate change
- Promote and implement an adaptive approach to ICM, including continuous review, innovation and improvement
- Manage business operations in a prudent, efficient, and responsible manner
- Act as the caretaker of river health and provide regional leadership on issues relating to river health
- Undertake the operational management of the Environmental Water Reserve as a key component of an integrated program of river, wetland, floodplain, and aquifer restoration.

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



PERFORMANCE REPORTING – NON-FINANCIAL

Achievements, Operational Performance and Key Initiatives

The Mallee CMA Corporate Plan 2025–2030 establishes three objectives to inform organisational priorities in delivering our vision over the next five years. Thematic areas and strategic outcomes the Mallee CMA seeks to achieve under each objective have been developed to reflect existing delivery and reporting frameworks (both regional and state), Mallee CMA's legislative obligations, and Ministerial Expectations (see Table 1).



Delivery against these strategic outcomes is guided by priority initiatives and activities identified within the Mallee CMA Corporate Plan 2025–2030. These priorities are reviewed annually to ensure alignment with the organisation's core responsibilities (e.g. CaLP Act Statement of Obligations and *Water Act 1989* Statement of Obligations) and strategic framework (e.g. RCS). Priority activities also reflect Ministerial Expectations and performance priorities for the nine government policy areas and two additional areas of interest outlined in Table 1.

Organisational performance against outcome indicators and activity measures established for each of the business objectives strategic outcomes and Ministerial Expectations (i.e. as detailed by the 2025–2030 Corporate Plan) is provided in the following sections.

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

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

Figure 3 | Activity performance key to results

Table 1 | Mallee CMA 2025–2030 business objectives strategic outcomes and 2025–26 Ministerial Expectations

Mallee CMA 2025–2030 Performance Framework			2025–26 Ministerial Priority Areas	
Business Objectives	**Theme**	**Strategic Outcomes**		
1: Ensure the community is central to the planning, delivery, and evaluation of natural resource management (NRM)	1A: Community Capacity for NRM	Connected and resilient communities leading positive change across our natural, cultural, and productive landscapes.	Customer, Community and Engagement (LOE2)	Ensure that all aspects of service delivery will be customer and community centred.
2: Protect and enhance the region's natural, cultural, and productive values	2A: Waterways	Waterways are healthy, resilient, and being managed for shared benefits.	Waterway Health (LOE9)	Provide leadership in delivery of programs to improve the health of waterways at priority sites.
			Recognise Recreational Values (LOE4)	Support the wellbeing of communities by considering recreational values in waterway planning and management.
			Recognise Aboriginal Values (LOE3)	Support the implementation of Water is Life: Traditional Owner Access to Water Roadmap by building formal partnerships with Traditional Owners in waterway and environmental water management and decision-making and promote access to waterways and water for cultural, spiritual, and economic purposes.
	2B: Biodiversity	Biodiversity is healthy, resilient, and valued.	-	-
	2C: Agricultural Land	Agricultural land is managed to optimise productive capacity, while avoiding or minimising environmental impacts.	Water for Agriculture (LOE10)	Support a productive and profitable irrigation sector and vibrant and resilient regional communities.
	2D: Culture and Heritage	Aboriginal culture and heritage are protected, and Traditional Owner led practices are embedded in the management and healing of Country.	-	-
3: Strengthen our capacity to operate as a corporately and socially responsible organisation	3A: Governance and Compliance	Internal governance processes are ensuring compliance with all legislative requirements and statutory functions.	Leadership, Diversity and Culture (LOE6)	Reflect the needs of our diverse communities and develop strategies and goals that will increase cultural diversity in the workforce and gender equity in both executive leadership and throughout the organisation.
			Performance and Financial Management (LOE7)	Improve performance and demonstrate outcomes.
			Customer Data Protection (AAoI)	Implement activities and actions identified within the Victorian Protective Data Security Framework.
			Cyber Security (AAoI)	Apply internationally recognised approach(es) to reducing cyber security risk and integrate cyber risk management into planning and decision making across the business.

Continued...

Table 1 | Mallee CMA 2025–2030 business objectives strategic outcomes and 2025–26 Ministerial Expectations *Continued...*

Mallee CMA 2025–2030 Performance Framework			2025–26 Ministerial Priority Areas	
Business Objectives	**Theme**	**Strategic Outcomes**		
3: Strengthen our capacity to operate as a corporately and socially responsible organisation	3B: Integrated Catchment Management	Regional planning, delivery, and evaluation processes are supporting integrated and targeted NRM outcomes.	Catchment Health (LOE9)	Provide leadership in delivery of programs to improve the health of catchments.
			Performance and Financial Management (LOE7)	Commit to delivering integrated catchment management, including leading the implementation and monitoring of catchment partnership agreements.
			Climate Change and Energy (LOE1)	Explore opportunities and/or deliver carbon sequestration initiatives and adapt to climate change and climate variability.
			Resilient and Liveable Cities and Towns (LOE5)	Contribute to healthy communities and support resilient, sustainable, and liveable environments.



Sandilong Creek.

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

BUSINESS OBJECTIVE 1 **Ensure the community is central to the planning, delivery, and evaluation of Natural Resource Management**

Theme: 1A Community Capacity for Natural Resource Management

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

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

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

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

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

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

- Ministerial Expectations for 'Customer, Community and Engagement' (2025-26)
- Mallee Regional Catchment Strategy (2022–28) – Community Capacity for NRM theme
- Mallee CMA Engagement Strategy (2025–26)
- Mallee CMA Indigenous Participation Plan (2023–28)
- Mallee CMA Reconciliation Action Plan (2024–28)
- Mallee Regional Landcare Support Plan (2024–29)
- Victorians Volunteering for Nature: Environmental Volunteering Plan (2018)
- Pupangarli Marnmarnepu 'Owning Our Future' Aboriginal Self-Determination Reform Strategy (2020–2025)
- Our Catchments, Our Communities: Strengthening the Catchment Stewardship Framework in Victoria (2024).

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against one key indicator. This indicator is presented according to the Ministerial 'Priority Area' with which it aligns (see Table 2).

Customer, Community and Engagement

Over the five-year reporting period, Mallee CMA programs have continued to apply a strong community focus as the cornerstone of NRM delivery. This approach is informed by, and aligns with, the principles and best practice standards established by the Victorian Government's Public Participation Framework 2021–2025; and delivers against annual priorities established by the Mallee CMA Stakeholder Engagement and Communication Plan (2025–26).

Delivery against this framework has included targeted events to build stakeholder capacity and enhance the region's cooperative delivery approach; with activities such as field days, workshops, and training events collectively engaging 23,643 participants over the 2021–26 period. These activities are well received, with participant evaluations reporting that on average over

the five-year period, 66 percent of respondents have provided an ‘excellent’ rating and 31 percent ‘good’; with only two percent rating them as ‘fair’ and one percent as ‘poor’. The effectiveness of the engagement approaches being employed over the reporting period to build capacity is also demonstrated by ongoing evaluations; with an annual average 27 percent increase in ‘awareness of NRM issues’ being reported by participants, and 13 percent increase in skills to ‘address threat processes’.

With COVID-19 restrictions throughout the first half of 2021–22 and a significant flood event in 2022–23 impacting the number and type of activities undertaken over the five-year (2021–26) reporting period, employing adaptive management approaches (i.e. planning for in-person and virtual delivery scenarios) ensured our stakeholders continued to be effectively engaged. Hybrid approaches to engagement have continued to be built on and supported post-COVID, providing an effective means to address factors identified as being barriers to participation (e.g. distance).

An important component of these engagement activities has been the coordination of partnership forums with representation from key stakeholders (e.g. land managers, Traditional Owners, government agencies, industry, community) to facilitate cooperative action in the planning and delivery of NRM actions across the region. Over the 2021–26 reporting period, this has supported the establishment and maintenance of 424 (cumulative) partnerships formalised by associated documentation (e.g. MOU, Terms of Reference) and 249 management agreements with private and public land managers to deliver targeted NRM activities.

Annual variations in the number of communication focused activities largely reflects a combination of funding cycle impacts, alignment with State Government guidelines (e.g. COVIDSafe settings), and disaster response messaging (e.g. 2022 flood event). It is evident however that the information and materials produced annually continue to build on previous achievements by promoting our region, the NRM programs being delivered, and involvement opportunities to a large and diverse audience. Key examples of the mechanisms employed to disseminate information include media articles in local newspapers, the ongoing release of ‘recognised’ products (e.g. ‘Mallee Connections’ E-newsletter, a quarterly ‘On-Country Connections’ newsletter, and the biannual ‘Mallee Farmer’ magazine), development of regionally specific educational resources (e.g. virtual field days, information packs, activity books), and regular social media content across a range of platforms (i.e. Facebook, Instagram, YouTube). These mechanisms have collectively delivered 1,274 publications and some 1,729 Facebook posts (2.2 million views) over the 2021–26 reporting period.



Table 2 | Progress against performance measures for 'Community Capacity for NRM' strategic outcome indicators (*NA applied to identify where annual data not available due to no assessment against baselines being undertaken within the reporting period)

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Customer, Community & Engagement							
A strong community engagement focus that is a cornerstone of all Mallee CMA functions *(Ministerial Expectation 2.5.1 – Community Engagement)*	Community/stakeholder participation in engagement and capacity building events/activities	number of participants	6,900	8,632	3,953	3,938	4,158
		number of events	562	477	370	346	379
	Participants rating engagement activities as 'good' or 'excellent'	percent of respondents	98	96	98	97	98
	Cooperative action in planning and delivering priority NRM activities	number of formal partnerships	95	97	84	56	92
		number of management agreements	53	49	36	56	55
	Awareness of NRM issues reported by capacity building focused activity participants	percent increase (average)	55	17	27	NA*	8
	Skills in identifying and delivering priority NRM activities reported by capacity building focused activity participants	percent increase (average)	11	22	14	NA*	4
	Landcare Group Health	annual self-assessment score (average)	3.2	3.6	3.6	3.7	NA*
	Information sharing in promoting NRM and associated evidence base	number of communication materials published	311	281	258	131	293
		number of social media posts	468	541	288	248	184
		number of social media views	394,407	333,287	154,469	522,717	753,163



Merbein Common.

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Community Capacity outcomes and deliver against associated Ministerial Priority Areas were implemented through 9 key initiatives in 2025-26 as outlined below.

Catchment Governance Program (State)

- Ongoing operation of the Land and Water Advisory Committee, maintaining a two-way communication channel between Mallee CMA and members of the Victorian Mallee community (4 meetings); and disseminating 83 publications (e.g. social media posts, E-newsletters, videos) for general promotion of the region's natural, cultural, and productive landscapes, and Mallee CMA operations.

Environmental Water Program (State)

- Producing 42 publications on the region's waterway values and the shared benefits of environmental watering, including targeted materials (e.g. flyers, newsletter articles, videos, social media posts, and reports) to promote Seasonal Watering Proposals, opportunities for the community to be involved, and delivery outcomes.
- Delivering 21 engagement activities (265 participants) with a focus on facilitating stakeholder participation in planning processes and connecting community to local waterways.
- Undertaking 203 assessments (e.g. fauna, flora, surface water) to monitor inundation extent and ecological responses to watering.

Future Drought Fund – Regional Drought Resilience Planning Program (State)

- Provision of grants to Traditional Owners (1), community groups (2) and industry groups (4) to support implementation of priorities established by the Mallee Drought Resilience Plan that support increased community and individual resilience to drought. Collectively these grants provided for delivery against five of the Plans seven key themes; collaboration, people and community wellbeing, culture, farming, and finance.
- Delivering 11 engagement events (151 participants) and producing 14 publications through grant implementation and governance processes.

Mallee Salinity Investment Plan (Other)

- Delivering 7 engagement events (73 participants) to provide salinity focused information and activities, including 5 Traditional Owner water literacy focused workshops.
- Producing 15 publications to document (e.g. reports) and promote (e.g. social media posts, brochures) program activities and outcomes.
- Coordinating regional groundwater (436 bores monitored for water levels and salinity) and surface water (28 drainage outflow sites monitored for flow and salinity levels) monitoring programs to inform associated modelling and reporting requirements.
- Maintaining formal partnerships to facilitate stakeholder input into the development, delivery, and evaluation of program activities, including ongoing operation of the Salinity Accountability Advisory Committee (SAAC) and participation in the Regional Water Monitoring Partnership (RWMP) forum.

Natural Heritage Trust (Commonwealth)

- Regional Capacity, Ramsar, Threatened Species, and Climate Smart Agriculture focused services included: 15 plans (engagement, management) to support delivery and evaluation processes; 89 engagement events (1,436 participants) and 28 publications (e.g. podcasts, fact sheets, 'Mallee Farmer' magazine, social media posts, and reports) to increase stakeholder awareness of and participation in project activities; and 148 assessments (agronomic, flora, invasive species, social) to support ongoing monitoring of the impacts of investment over time on both threat mitigation (short-term) and resource condition (long-term).
- Facilitating continued effective function of the Mallee CMA Aboriginal Reference Group in fostering communications with Aboriginal stakeholders and supporting input into regional initiatives and plans.
- Supporting collaborative approaches to delivery and capacity building opportunities through the provision of grants to Traditional Owners (2) and community groups (4) and private land managers (8).

Our Catchments, Our Communities (State)

- Delivering 35 engagement events (283 participants) including workshops with delivery partners and broader community stakeholders, participation in statewide forums, and on-Country events to support project planning and delivery.
- Establishing/maintaining formal partnership arrangements (11) and/or management agreements (7) with land managers and Traditional Owners to support coordinated and collaborative delivery approaches.
- Providing grants to private land managers (6) and Traditional Owner groups (1) to facilitate participation in the delivery of NRM focused actions.
- Coordinating the 'regional leadership' grants program to support community stakeholder participation in capacity building activities. This included providing two training workshops on emerging risks to the region's environmental values; looper caterpillar and buffel grass.

Sustainable Irrigation Program (State)

- Delivering or supporting 9 engagement events (115 participants) including industry workshops, and presentations at partnership forums/project steering committees.
- Producing 10 publications to promote and/or report key activities including the irrigation incentive guidelines and associated promotional material.
- Ongoing facilitation of the Victorian Mallee Irrigation Region Land and Water Management Plan Implementation Committee and participation in other key policy and partnership forums, including the Victorian Salt Disposal Working Group, statewide Sustainable Irrigation Program forum, and Seasonal Annual Use Limit (AUL) panel.

Victorian Landcare Program (State)

- Delivering 23 targeted engagement activities (208 participants) including training workshops and tri-annual Regional Landcare Facilitator meetings; and producing 28 publications to promote program achievements and opportunities.
- Maintaining formal partnership arrangements with each of the 5 Regional Landcare Groups hosting facilitator positions.
- Providing 21 grants to regional groups for the delivery of landscape protection and restoration works, and undertaking 46 assessments (social, invasive species) to support the planning and evaluation of works delivered through the grants program.

Waterway Health Program (State)

- Delivering 77 engagement events (875 participants) to promote the region's waterway values and engage stakeholders in their management. This included working with Traditional Owners, land managers and community members to plan and deliver works at Merbein Common and Kings Billabong, the region's 2020–24 Flagship Waterway sites; and providing opportunities for community to connect to these waterways through Citizen Science focused activities (e.g. waterbird monitoring).

- Establishing/maintaining 9 formal partnerships to facilitate coordinated approaches to the development, implementation, and review of regional waterway health-related activities. This included ongoing coordination/facilitation of the Hattah Ramsar Coordinating Committee, which was established to manage implementation of the Ramsar site management plan, and operation of project steering committees for each of the Flagship Waterway sites.

- Reviewing MERI plans for the two Flagship sites and the Hattah-Kulkyne Lakes Ramsar site Annual Action Plan. These plans directly informed 69 assessments (e.g. cultural, social, fauna, flora, invasive species, surface water) undertaken to evaluate the impact/effectiveness of on-ground works and associated capacity building activities.

- Producing 13 publications (social media posts, newsletter articles and reports) to promote project delivery and engage local stakeholders in associated activities.



Performance

Performance against 2025–26 Community Capacity activity indicators, including actual delivery against budgeted targets, is presented according to the Ministerial 'Priority Area' with which they align (see Table 3).

Overall, 90 percent of performance targets were achieved or exceeded over the reporting period; with one of the 10 measures unable to be progressed as originally scheduled (i.e. exceeded -5% variance), specifically:

- Management Agreements: The number of private land managers participating in grant and incentive programs was lower than forecast, reducing the total number of agreements required for project delivery. The number of cultural heritage and property assessments required to inform on-ground works delivery was lower than forecast.

Table 3 | Performance against 2025–26 Community Capacity for NRM activity measures (*NA applied to identify where annual targets have not been specified by associated funding agreement(s) or reporting framework)

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Customer, Community & Engagement - *Ensure that all aspects of service delivery will be customer and community centred*						
Continue to build extensive, effective, and consistent approaches to community engagement and partnerships in regional planning and implementation and to further the objectives of the *CaLP Act 1994* *(Ministerial Expectation 2.5.1.001)*	Communication and Engagement Plans developed, implemented, and reported to meet internal and/or government requirements	number	8	8	0	✓
	Formal community and regional delivery partner forums facilitated/coordinated to meet government and/or internal requirements	number	13	13	0	✓
	Participants attending engagement events	number	4,158	3,621	+15	✓
	Participants rating engagement activities as 'good' or 'excellent'	percent of respondents	98	>90	0	✓
	Communication products delivered	number	293	282	+4	✓
Work collaboratively with organisations and communities to strengthen engagement approaches and capacity *(Ministerial Expectation 2.5.1.002)*	Formal partnerships established/maintained to strengthen engagement approaches/capacity	number	92	94	-2	○
	Management agreements established/maintained with land managers (public and private) to deliver targeted NRM activities	number	55	67	-18	■
	Grants provided to Traditional Owner and community groups to deliver targeted NRM activities	number	32	NA*	NA*	✓
	Grants/incentives provided to private land managers to deliver targeted NRM activities	number	7	NA*	NA*	✓
	Assessments undertaken to inform regional evidence base	number	573	562	+2	✓

BUSINESS OBJECTIVE 2

Protect and enhance the region's natural, cultural, and productive values

Theme: 2A Waterways

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

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

The environmental condition of our waterways impacts directly on their capacity to provide the environmental, social, and economic services the community values. Mallee waterways continue to be threatened by a range of pressures that can directly impact one or more of their environmental attributes (e.g. connectivity, water quality). This can include altered water regimes, land and water salinisation, invasive plants and animals, land-use change, and recreational pressures.

External factors such as climatic conditions (both variability and change) and water availability are also key determinants of both the effectiveness of our management actions and the long-term health of our waterways that will require ongoing attention and adaptive management responses.

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

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

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

- Ministerial Expectations for Waterway Health, Recognition of Aboriginal Values, and Recognition of Recreational Values (2025–26)
- Mallee Regional Catchment Strategy (2022-28) – *Waterways theme*
- Mallee Waterway Strategy (2014–22)
- Mallee Floodplain Management Strategy (2018–28)
- Environmental Watering Management Plans
- Hattah-Kulkyne Lakes Ramsar Site Management Plan (2021) and Annual Action Plan (2025–26)
- Water is Life: Traditional Owner Access to Water Roadmap (2022)
- Water for Victoria (2016)
- Victorian Waterway Management Strategy (2013)
- Basin Plan (2012)

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against four key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 4).

Waterway Health

Delivery of 295,000ha of environmental works over the 2021–26 reporting period represents significant progress against both the short-term (activity/output) and medium-term (outcome) targets set by the Mallee Waterway Strategy (MWS) for priority waterways within each of the region's 23 Waterway Management Units.

Management of the four sites identified by Water for Victoria (2016) as a priority for the Mallee (i.e. Merbein Common wetlands, Lindsay-Wallpolla Islands, Belsar-Yungera Floodplain complex, Kings Billabong and Woorlong complex) has continued to be a priority under state-funded Waterway Health programs; supporting the delivery of environmental, economic, social, and cultural outcomes at each site. Of particular note is the suite of works implemented through Mallee CMA's 'Flagship Waterway' projects at Merbein Common and Kings Billabong. Commencing in 2016, this initiative is delivering significant improvements in habitat

condition by rationalising non-arterial user made tracks and repairing key access roads, controlling priority pest plants, and establishing native vegetation at these priority sites.

Application of Seasonal Watering Plans for the region has resulted in 182 watering regimes being implemented over the past five years, inundating over 11,000ha to deliver against associated ecological, social, and cultural objectives set out by site based Environmental Water Management Plans. Variation in the number and/or area of watering events delivered annually largely reflects adaptive management responses to seasonal conditions. For example, the area receiving environmental water over the 2022–26 period has been below average in response to significant flooding across the basin in 2022–23, with most of the planned Murray River wetland sites receiving water via natural inundation.

Variation in the area of other threat mitigation activities (e.g. invasive species control, revegetation, road rationalisation works) undertaken over the 2021–26 reporting period was primarily driven by a combination of funding cycle impacts and disaster recovery initiatives. For example, 2024–25 represented a planning phase for several state funded waterway health initiatives, resulting in lower levels of on-ground delivery. However, funding for flood recovery actions supported extensive weed control programs being implemented in 2024–25 to support environmental responses (i.e. reduced competition) within priority habitat inundated by the 2022–23 flood event.

Recognise Aboriginal Values

Building and maintaining effective and genuine partnerships with Traditional Owners is an integral component of Mallee CMA's approach to the planning and delivery of waterway management activities. Over the 2021–26 reporting period this approach has facilitated the establishment of formal partnership arrangements with Traditional Owner groups for the co-design, implementation and assessment of some 36l on-ground works programs, including:

- Undertaking Aboriginal Waterway Assessments to document the cultural health and use of priority waterways, identify associated aspirations for sites, support implementation of short-medium term priorities and develop pathways to delivering against long-term goals.
- Planning and implementing waterway management actions (e.g. revegetation, pest plant and animal control, exclusion fencing, water delivery) to rehabilitate sites with significant cultural values.

Recognise Recreational Values

Mallee CMA recognises that enhancing the recreational values of priority waterways is integral to our waterway management role, and that effective stakeholder engagement is essential in ensuring alignment with local objectives and facilitating collaborative outcomes. Working with local communities over the past five years to identify their recreational priorities has facilitated the installation of 61 individual visitor facilities, including picnic and camping facilities, fishing platforms, canoe launches, walking tracks and interpretation/ appreciation signage; facilities which have enhanced the recreational values of priority waterways to support the well-being of rural and regional communities. The 187 water delivery actions implemented over the reporting period have also provided for increased amenity and recreation opportunities (e.g. fishing, birdwatching) at associated waterways.



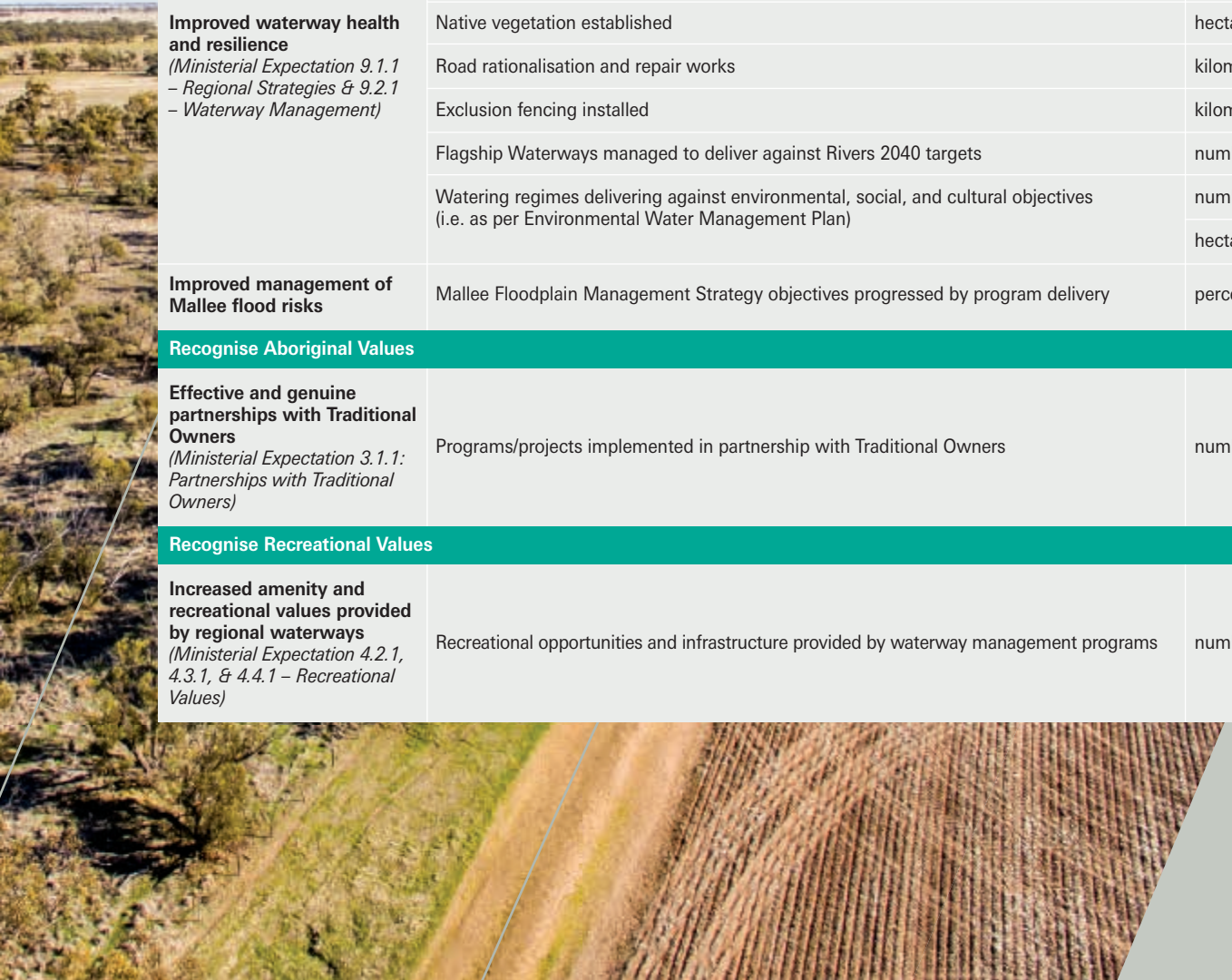


Table 4 | Progress against performance measures for Waterway strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Customer, Community & Engagement							
Improved waterway health and resilience *(Ministerial Expectation 9.1.1 – Regional Strategies & 9.2.1 – Waterway Management)*	Waterways treated for priority pest animal species	hectares	57,958	57,177	46,307	13,653	44.215
	Waterways treated for priority weed species	hectares	2,524	1,909	5,474	48,850	5,054
	Native vegetation established	hectares	49	15	14	15	58
	Road rationalisation and repair works	kilometres	3	19	24	0	9.7
	Exclusion fencing installed	kilometres	8	9	20	0.97	24
	Flagship Waterways managed to deliver against Rivers 2040 targets	number	2	2	2	2	2
	Watering regimes delivering against environmental, social, and cultural objectives (i.e. as per Environmental Water Management Plan)	number	34	28	43	40	42
		hectares	5,633	3,542	603	1,262	607
Improved management of Mallee flood risks	Mallee Floodplain Management Strategy objectives progressed by program delivery	percent	83	50	69	75	75
Recognise Aboriginal Values							
Effective and genuine partnerships with Traditional Owners *(Ministerial Expectation 3.1.1: Partnerships with Traditional Owners)*	Programs/projects implemented in partnership with Traditional Owners	number	6	6	7	8	9
Recognise Recreational Values							
Increased amenity and recreational values provided by regional waterways *(Ministerial Expectation 4.2.1, 4.3.1, & 4.4.1 – Recreational Values)*	Recreational opportunities and infrastructure provided by waterway management programs	number	60	39	60	40	49

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Waterway outcomes and deliver against associated Ministerial Priority Areas were implemented through 8 key initiatives in 2025-26 as outlined below.

Environmental Water Program (State)

- Preparing 2025–26 Seasonal Watering Plans for Hattah, Lindsay-Mulcra-Wallpolla, Murray Wetlands, and Wimmera Mallee Pipeline Wetlands in consultation with land managers, Traditional Owner groups and community stakeholders.
- Delivering 42 environmental water events to inundate 607ha of priority floodplain habitat.
- Aligning water delivery with site based Environmental Water Management Plans (EWMPs) to support progress against associated ecological, social, recreational, and cultural objectives of the watering regimes; with five (Neds Corner, Burra Creek, Tata Creek, Walshes Bend and Wimmera Mallee Pipeline) of the region's 32 EWMPs also being reviewed and updated in consultation with land managers, Traditional Owner groups and local community stakeholders.
- Maintaining a 'Water for the Environment' page on the Mallee CMA website to promote planning and delivery processes, including an interactive mapping tool detailing annual delivery sites.

Flood Reclamation Roadmap; Fast tracking flood studies in regional Victoria (State)

- Updating the Murray River flood study to incorporate 2022 flood data into associated planning schemes and support planning decisions, emergency management activities, and future mitigation actions.

Murray-Darling Basin Plan

- Preparing and implementing monitoring plans for two Living Murray Icon sites (Hattah and Lindsay, Mulcra, Wallpolla), with associated assessments undertaken to support ongoing monitoring of the impacts of The Living Murray (TLM) investment over time on both threat mitigation (short-term) and resource condition (long-term). Key activities included fish, water bird, and vegetation health surveys within the two Icon Sites. Findings from these assessments were reported through 17 written publications.

Natural Heritage Trust (Commonwealth)

- Delivering annual works to protect the ecological character of the Hattah-Kulkyne Lakes Ramsar sites, including: 7,455ha of herbivore control (rabbit and feral goat) to reduce grazing impacts; 70ha of fox control to reduce predation impacts; 975ha of pig control to reduce soil disruption impacts; 4,229ha managed for Weeds of National Significance (e.g. African boxthorn), and 1ha of encroaching River Red Gum thickets thinned to reduce competition.

Our Catchments, Our Communities (State)

- Delivering actions to protect the ecological, cultural, and social values of two priority landscapes (i.e. Murray River Floodplain and Murray Scroll Belt Local Areas) including 825ha managed for invasive species (rabbits and priority weeds) and 9.7ha of revegetation established/maintained.
- Designing and implementing works programs for four project sites in partnership with Traditional Owners (First People of the Millewa Mallee) to support delivery against the groups aspirations for these landscapes.

Risk and Resilience Grants Program (State)

- Updating the Beulah, Birchip and Tyrrell Lalbert Flood Studies to validate modelling against the 2022 flood event, improve flood intelligence and identify future response/mitigation actions across the Southern Mallee.
- Implementation of the 'Levees: Flood readiness and response strategies' project to improve understanding of the region's levees and their role during times of significant flooding.

Water, Country, and Community Program

- Aboriginal Water Officer working with Traditional Owners to increase self-determined participation in water management decision making and their access, use and management of water. This included facilitating on-Country events (e.g. Talk Water) to support knowledge sharing processes and promote Aboriginal water values and aspirations, coordinating Aboriginal Waterway Assessments, and facilitating Traditional Owner engagement in regional planning and delivery activities.

Waterway Health Program (State)

- Implementation of the Hattah-Kulkyne Lakes Ramsar Site Management Plan, including commencement of a two-year (2025–27) grazing management program, with rabbit (305ha), feral goat (12,721ha), and feral pig (21,846ha) control delivered; and a herbivore-proof fence (0.3km) completed to protect primary winged peppercress populations.

- Delivering priority actions for the region's two Flagship Waterways through partnerships with land managers and Traditional Owners, including: installation and maintenance of exclusion fencing/ bollards (4.8km) and track upgrades (3.9km), track rationalisation works (5.8km) to protect priority habitat from recreational impacts, revegetation works (0.5ha) were also undertaken to restore degraded habitat and 13 visitor facilities upgraded/installed (e.g. trail signs displaying local species) for improved recreational outcomes.



Performance

Performance against 2025–26 Waterway activity indicators, including actual delivery against budgeted targets, is presented according to the Ministerial 'Priority Area' with which they align (see Table 5).

Overall, 94 percent of performance targets were achieved or exceeded over the reporting period; with one of the 18 measures unable to be progressed as originally scheduled (i.e. exceeded -5% variance), specifically:

- Mallee Floodplain Management Strategy (FMS): The 2018–28 Strategy identifies Mallee CMA as being responsible for the delivery of 24 priority management actions, with 9 (38%) scheduled to be progressed in 2025–26. While delivery targets for 6 (67%) of these 12 actions were achieved (e.g. updated additional LiDAR surveys, stormwater modelling, flood mitigation strategies, flood information reporting, planning scheme updates, and flood levee management), funding required to progress the remaining three actions (remote flood level gauging, flood mitigation infrastructure survey/assessments, and an update to Mid Murray flood study to include stormwater modelling) was unable to be secured in 2025–26. Delivery timeframes for these three actions will be revised as part of ongoing reviews of the Mallee FMS Implementation Plan undertaken in consultation with regional stakeholders.

Table 5 | Performance against 2025–26 Waterway activity measures (*NA applied to identify where annual targets have not been specified by associated funding agreement(s) or reporting framework)

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Waterway Health – *Provide leadership in delivery of programs to improve the health of waterways at priority sites*						
Coordinate implementation and reporting of the Mallee Waterway Strategy (2014–22) *(Ministerial Expectation 9.1.1.001)*	Waterways treated for priority pest animal species	hectare	44,215	30,153	+47	✓
	Waterways treated for priority weed species	hectare	5,054	5,037	0	✓
	Exclusion fencing installed/maintained	hectare	24	22	+9	✓
	Native vegetation established/maintained	kilometre	62	59	+5	✓
	Road rationalisation and repair works	kilometre	9.7	9.5	+2	✓
	Watering regimes delivered annually	number	42	40	+5	✓
Deliver waterway management in line with government policies and frameworks *(Ministerial Expectation 9.1.1.002)*	Water for Victoria identified priority sites managed to support delivery against identified environmental, economic, social, and cultural outcomes	number	4	4	0	✓
	Victorian Murray Floodplain Restoration Projects supported as per contractual/government requirements	number	6	6	0	✓
	Murray-Darling Basin Authority's 'The Living Murray' sites managed, monitored, and reported as per contractual/government requirements	number	2	2	0	✓
	Seasonal Watering Proposals submitted annually in line with stated requirements and accepted by associated partners/stakeholders	number	4	4	0	✓

Continued...

Table 5 | Performance against 2025–26 Waterway activity measures (*NA applied to identify where annual targets have not been specified by associated funding agreement(s) or reporting framework) *Continued...*

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Waterway Health – *Provide leadership in delivery of programs to improve the health of waterways at priority sites*						
Deliver waterway management in line with government policies and frameworks *(Ministerial Expectation 9.1.1.002)*	Environmental water management plans reviewed	number	5	5	0	✓
	Water for Victoria identified priority sites managed to support delivery against identified environmental, economic, social, and cultural outcomes	number	4	4	0	✓
	Victorian Murray Floodplain Restoration Projects supported as per contractual/ government requirements	number	6	6	0	✓
Implement priority actions established by the Mallee Floodplain Management Strategy (2018–28)	Mallee Floodplain Management Strategy priority management actions progressed by annual works programs	number	6	9	-34	■
Recognise Aboriginal Values – *Support implementation of Water is Life: Traditional Owner Access to Water Roadmap by building formal partnerships with Traditional Owners in waterway management and decision-making and promote access to waterways and water for cultural, spiritual, and economic purposes*						
Formal partnership agreements with Traditional Owners for water planning and management *(Ministerial Expectation 3.1.1.001 & 3.1.1.002)*	Formal partnerships established/maintained	number	18	NA*	NA*	✓
Demonstrate how Traditional Owners' aspirations and recommendations have influenced water planning strategies and management *(Ministerial Expectation 3.1.1.005)*	Traditional Owners participating in forums to inform water planning and management	number	12	NA*	NA*	✓
	Programs/projects co-designed in partnership with Traditional Owners	number	11	NA*	NA*	✓
Recognise Recreational Values – *Support the wellbeing of communities by considering recreational values in waterway planning and management*						
Engage with community to identify/consider opportunities to deliver recreational objectives relating to waterway health/water planning and management *(Ministerial Expectation 4.2.1.001)*	Opportunities for community stakeholders to inform recreational priorities for local waterways	number	11	NA*	NA*	✓
Improve information sources to help recreational users plan their activities *(Ministerial Expectation 4.3.1.001)*	Accessible and user-friendly information sources	number	4	4	0	✓
Collaborate with other organisations and government agencies to explore and progress opportunities to support recreational values *(Ministerial Expectation 4.4.1.001)*	Collaborations/cooperative action in identifying, prioritising, planning, and delivering recreational outcomes	number	4	NA*	NA*	✓

Theme: 2B Biodiversity

The Mallee supports a diverse and unique range of flora and fauna. Several species occur here which are found nowhere else in Victoria, and many others are genetically distinct from their northern or southern relatives. This includes 32 species and six communities listed as threatened nationally (*Environment Protection and Biodiversity Conservation Act 1999*); and 370 species and seven communities listed as threatened at the state level (*Flora and Fauna Guarantee Act 1988*).

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

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

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

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

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

Biodiversity is healthy, resilient, and valued

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

- Mallee Regional Catchment Strategy (2022–28) – *Biodiversity theme*
- Victoria's strategic plan for valuing and managing biodiversity into the future, Protecting Victoria's Environment – Biodiversity 2037 (2017)
- Australia's Strategy for Nature (2024–2030) and Threatened Species Action Plan (2022–32).

Outcome Indicators and Performance Measures

Progress against this strategic long-term outcome is measured through organisational performance against two key indicators (see Table 6), one in relation to terrestrial habitat, and one for threatened species and ecological communities.

Delivery of over 1.4 million hectares of environmental works across the 2021–26 reporting period represents significant progress against federal, state and regional targets for Mallee biodiversity. This includes the re-establishment or enhancement of priority habitat through tubestock planting and direct seeding; targeted pest plant and animal (i.e. rabbit, feral goat, fox, feral cat) control to reduce competition, grazing and predation impacts; and exclusion fencing to protect priority remnants from overgrazing.

Annual variations in the area of terrestrial habitat managed by each performance measure largely reflect changes in funding arrangements over the reporting period. For example, 2023–24 representated a planning and development phase for projects funded under the Commonwealths 2023–28 Natural Heritage Trust (NHT) program, with significantly less revegetation works being undertaken. Conversely, pest animal control activities to support delivery against Victorian Biodiversity Strategy (Protecting Victoria's Environment – Biodiversity 2037) priorities commenced in 2023–24, significantly increasing the areas treated throughout 2023–26.

Several state funded projects to deliver pest animal, weed and exclusion works identified by the Victorian Biodiversity Strategy (Protecting Victoria's Environment – Biodiversity 2037) as being a priority for the Mallee were completed in 2020–21. The area of pest animal works then increased significantly in 2022–23 with the commencement of new projects to deliver against state priorities. Similarly, the area of native vegetation established in 2023–25 was significantly less than previous years following the completion of a large revegetation program delivered through 2018–23 NHT funding.

From 2022–23, biodiversity focused actions have applied the following principles to align with 2022–28 Mallee RCS management priorities:

- *Terrestrial habitat protection/restoration*: landscape-scale focused delivery which benefits multiple species and builds adaptive capacity, rather than planning for native vegetation and individual species conservation in isolation, or

- *Specialised interventions*: where specific threatened species or ecological communities (terrestrial and aquatic) will not benefit from a wider habitat focused landscape-scale approach and will require specialised and/or site-specific interventions for their protection.

Over the subsequent 2022–26 reporting period terrestrial habitat protection/restoration programs have been delivered within six priority landscapes; Murray Scroll Belt, Murray Sunset Complex, Annuello-Wandown, Avoca Basin, Wyperfeld Complex, and North Wimmera Creeklines. Five threatened species (Malleefowl, Plains-wanderer, Murray Hardyhead, Southern Pygmy Perch, Growling Grass Frog) and three threatened ecological communities (Buloke Woodlands, Mallee Bird, Lowland Riverine Fish) have also been targeted by specialised works programs over this period.

Table 6 | Progress against performance measures for Biodiversity strategic outcome indicators (*NA applied to identify where reporting against associated indicator had not commenced)

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Extent, condition, and ecological connectivity of high value terrestrial habitat is improved	Terrestrial habitat managed for priority pest animal species	hectares	117,026	62,211	357,119	551,418	357,094
	Terrestrial habitat managed for priority weed species	hectares	14,742	15,245	11,267	12,798	7,238
	Native vegetation established	hectares	593	534	11	84	287
	Exclusion fencing installed/maintained	kilometres	0	2	0	0	5.5
Present diversity of Mallee threatened species and communities is protected (terrestrial and aquatic)	Threatened species targeted by on-ground works programs (i.e., species x location specific interventions)	number	NA*	3	2	3	5
	Threatened ecological communities targeted by on-ground works programs (i.e. community x location specific interventions)	number	NA*	3	1	1	2



Regent Parrot, Hattah.

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Biodiversity outcomes were implemented through 9 key initiatives in 2025–26 as outlined below.

BushBank (State)

- Revegetating (seedlings and direct seeding) 85ha of public land to provide for biodiversity and carbon sequestration outcomes and maintaining (e.g. follow up watering) 87ha of 2024–25 plantings.

Community Action for Biodiversity Icon Species (State)

- Field surveys to assess the status of the Critically Endangered Murray hardyhead and associated recovery activities in the Mallee
- Reintroduction translocation of the species to Brickworks Billabong in Autumn 2026.

Mallee Salinity Investment Plan (Other)

- Revegetating (seedlings)13ha across six corridors between the Hattah-Kulkyne National Park, Annuello Flora and Fauna Reserve; and Wemen-Liparoo areas to improve biodiversity outcomes (e.g. habitat connectivity and condition) in these irrigated landscapes.

Natural Heritage Trust (Commonwealth)

- Implementing the 'Mallee Birds: Restoring landscape-scale connectivity to strengthen resilience' project to deliver targeted threat mitigation actions within habitat critical to the recovery of this threatened ecological community, including: 16,571ha of herbivore (rabbit and feral goat) control to reduce grazing impacts and support regeneration outcomes; 1,800ha of priority weed (Weeds of National Significance) control to reduce competition and support vegetation condition outcomes; and 159ha of revegetation to support connectivity outcomes.

Protecting Biodiversity Program (State)

- Delivering works programs across two target landscapes (Eastern Murray and Neds Corner) to support biodiversity and threatened species outcomes, including: 63,938ha of herbivore (feral goat, rabbit, feral pig) control to reduce grazing impacts; 135,582ha of fox and feral cat control to reduce predation impacts; and 5,230ha of priority weed control to reduce competition.

Saving Native Species Program (Commonwealth)

- Delivering landscape-scale actions to protect and enhance critical Malleefowl habitat, including 131,229ha of herbivore (feral goat and rabbit) control, 6ha of priority weed control and 5km of exclusion fencing to reduce grazing impacts.

Victorian Landcare Program (State)

- Supporting community groups to deliver 9,774ha of rabbit control works, 133ha of weed control works, and 14ha of revegetation within priority landscapes for the protection and restoration of important habitat.

Fish Habitat Improvement Fund (State)

- Undertook habitat mapping of Narcooyia Creek and installed instream woody habitat to support the recovery of EPBC listed species (i.e. Silver perch and Murray Cod) within this priority waterway. Project activities were delivered in partnership with Ozfish and Traditional Owners (First People of the Millewa Mallee).

Waterways Recovery (State)

- Delivering wetland rehabilitation actions to facilitate threatened species recovery following the 2022 flood event, including 23ha of revegetation at Brickworks Billabong to support the reintroduction of Murray hardyhead and 28ha revegetated at Ducksfoot Lagoon to support Growling Grass frog populations.

Performance

Performance against the organisation's 2025–26 priority activities for progressing Biodiversity outcomes, including actual delivery against budgeted targets are provided in Table 7; with 100% of performance targets achieved over the reporting period.

Table 7 | Performance against 2025–26 Biodiversity activity measures

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Delivering against local, State and Federal priorities for the management of threatened species, threatened ecological communities, and terrestrial habitat in the Victorian Mallee						
Support implementation of Victoria's strategic plan for valuing and managing biodiversity into the future, Protecting Victoria's Environment – Biodiversity 2037 (2017); by delivering against actions identified as a priority for the Mallee	Terrestrial habitat treated for priority pest animal species	hectare	357,094	333,425	+7	✓
	Terrestrial habitat treated for priority weed species	hectare	7,238	6,816	+6	✓
	Native vegetation established/maintained	hectare	400	366	+9	✓
Support implementation of Australian Government's Threatened Species Strategy (2022–32); by delivering against species and places with actions identified as a priority for the Mallee	Australian Government identified priority threatened species and places which occur in the Mallee targeted by works programs	percent	50	50	0	✓
	Priority habitat managed to support recovery of threatened species identified by the Australian Government as a priority for the Victorian Mallee	hectare	142,279	142,123	0	✓
Align the delivery of threatened species and communities' programs with stakeholder priorities (i.e. cultural importance and/or local significance)	Threatened species and ecological communities targeted by works programs identified as culturally important and/or locally significant	percent	100	100	0	✓

Theme: 2C Agricultural Land

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

The capacity of our productive agricultural lands rose steadily over the last half of the twentieth century in response to increased mechanisation, improved management techniques and genetic improvement of crops. Agriculture remains our major land use and most economically important industry. Dryland farming in the region covers some 2.4 million hectares and includes the cropping of a wide variety of cereals, pulse, and oilseed crops such as wheat, barley, vetch, lentils and canola.

Irrigation in the Mallee extends adjacent to the Murray River corridor from Nyah to the South Australian Border, encompassing private diverters and the pumped irrigation districts of Mildura, Merbein, Red Cliffs, Robinvale and Nyah. A groundwater irrigation district centred on the town of Murrayville also exists. The major irrigated sectors are almonds, wine grapes, table grapes, citrus, olives, dried fruit and vegetables. The industry has seen increased diversity in crop types and is becoming far more dynamic in response to climatic conditions and market forces. Almonds have become the single largest crop in terms of area and water demand.

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

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

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

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

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

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

- Ministerial Expectations for Water for Agriculture (2025–26)
- Mallee Regional Catchment Strategy (2022–28) - Agricultural Land theme
- Victorian Mallee Irrigation Region Land and Water Management Plan (2020–29)
- Victorian Mallee Irrigation Development Guidelines (2024)
- Mallee Salinity Investment Plan (2025–26)
- Mallee Drought Resilience Plan (2024)
- Basin Salinity Management 2030 Strategy (2015)
- National Soil Action Plan (2023-28)
- Australian Government Drought Response, Resilience and Preparedness Plan (2019)
- Water for Victoria (2016).

Outcome Indicators and Performance Measures

Progress against strategic outcomes is measured through organisational performance against two key indicators (see Table 8); one in relation to irrigated land, and one for dryland agriculture.

Irrigated land

Water for Agriculture

Between 1997 and 2024 (for which comprehensive irrigation crop data is available) irrigation development reliant on water from the Murray River has increased from 39,470ha to 82,155ha, representing a more than doubling of the irrigable area. There is a further 6,750ha of irrigable land in the Murrayville groundwater irrigation area, a 5,580ha increase since 1997. There was however a net decrease (-185ha) in the area of irrigable land irrigated between 2021 and 2024, the only period since 1997 where retired areas exceeded new developments.

The use of pressurised systems (drip, low level and overhead irrigation) has increased from 61% of the irrigated area in 1997 to 98% by 2024, with the majority of change occurring prior to this 2020–25 reporting period (1% increase from 2021). Gravity systems (furrow and flood) decreased from 39% in 1997 to 2% in 2024. This change has seen the dominant irrigation

method move from furrow in 1997 (39%) to overhead in 2003 (33%) then to drip irrigation from 2006 (40%) to 2024 (60%).

Significant changes in crop types have also occurred across irrigation areas, with wine grapes the dominant crop from 1997 (25%) to 2006 (30%), then almonds from 2009 (34%) to 2024 (30%). Trends observed over the 2021–2026 period included the area of wine and dried grapes continuing to decline, small increases in the area of citrus and table grape plantings, and a reduction (45ha) in almond planting for the first time since 1997.

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

The progressive total of salinity debits is estimated at 14.74 EC; representing a 0.01 EC increase from June 2025 for the Nyah to SA border irrigation and no change to the 0.4 EC impact from Nyah to Colignan. With a total salinity credit allocation of 23.22 EC the region is currently 8.48 EC in credit overall and remains compliant at a regional scale.

Dryland agriculture

Mallee CMA's delivery against dryland agriculture outcomes is primarily funded under commonwealth initiatives which identify increased groundcover (and reduced wind erosion), soil organic carbon, and climate (variability/change) resilience/adaptation as priorities for the Victorian Mallee.



Soils crop walk, Millewa.

Over the 2021–26 reporting period, these programs focused on building the awareness, knowledge, and skills of land managers in relation to implementing improved management practices (as reported under Objective 1 - Community Capacity for NRM of this performance report) and the delivery of on-ground research and development programs to identify, validate and promote best practice for soil health, productivity, and climate resilience outcomes.

The Mallee RCS 2022–28 establishes a groundcover target of >50 percent to minimise the risk of wind erosion across the region's cropping areas. Performance against this target is reported annually in March, which represents a period of high erosion risk. Between 75 percent and 98 percent of the region achieved this target over the reporting period.

The low (75%) figure reported for March 2022 reflects relatively low rainfall across the region over the summer, rather than any indication of widespread returns to inappropriate land management practices; with levels rising to 89 percent in April 2022 following the autumn break and to 98 percent in March 2023 in response to the 'very much above' average rainfall to 'highest on record' falls experienced in the preceding months.

With a return to 'below average' to 'very much below average' rainfall over consecutive summers (2024–26), associated management responses to maximise groundcover levels under these conditions saw 87 percent of agricultural land achieving the >50 percent target in March 2025, and 80 percent in March 2026. Significant rainfall events experienced across the region in autumn 2026 supported an increase in these levels to 90 percent by April.

Table 8 | Progress against performance measures for Agricultural Land strategic outcome indicators (*NA applied to identify where data is not available for associated reporting period - dependant on release of Mallee Crop Report)

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Irrigated Land (Water for Agriculture)							
Improved productivity and resilience of the Victorian Mallee irrigation sector *(Ministerial Expectation 10.1.1 – Sustainable Irrigation, 10.2.1 – Managing Agricultural Areas & 10.3.1- Adaption to Change)*	Irrigable area	hectares	88,125	NA*	NA*	88,905	NA*
	Irrigable area irrigated	percent	80	NA*	NA*	79	NA*
	Irrigable area under drip irrigation system	percent	58	NA*	NA*	60	NA*
	Salinity credit uptake (23.22 EC allocation)	EC at Morgan	13.94	14.34	14.36	14.73	14.74
Dryland Agriculture							
Improved productive capacity and resilience of dryland agricultural soils within the Victorian Mallee	Proportion of the Mallee with more than 50 percent groundcover in March	percent	75	98	98	87	80



Aerial channel irrigation.

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Agricultural Land outcomes and deliver against associated Ministerial Priority Areas were implemented through 4 key initiatives in 2025–26 as outlined below.

Natural Heritage Trust – Climate Smart Agriculture

- Dryland focused activities to identify, validate and promote innovative and resilient agricultural systems included the establishment of 15 trial sites across the region to demonstrate best practice strategies for protecting natural capital. Sites focused on legume-based cropping systems, stubble management, utilising innovative soil mapping tools, and increasing yield potential in a drying climate.

- Ongoing implementation of the Mallee Land Use and Wind Erosion Monitoring Program provided for landscape scale analysis of groundcover levels and associated management/climatic interactions to support targeted extension programs.

Future Drought Fund – Regional Drought Resilience Planning Program (State)

- Four activities delivered to support increased drought resilience across the dryland agriculture sector, including: the provision of online pulse management resources; investigating the impact of climate variability and drought on whole farm productivity and risk; and establishing information hubs to strengthen the communication of soil and risk management best practice.

Mallee Salinity Investment Plan (Other)

- Salinity Offsetting Charges (collected to offset salinity impact of irrigation development from Nyah to the South Australian border) supported the delivery of 10 investment priorities for 2025–26: Mallee Irrigation Incentives program for salinity benefit; supporting development and implementation of capital investment projects; major projects development (e.g. establishing hydrological processes in floodplains receiving environmental and river flood water; and reducing irrigation-induced salinity impacts on Psyche Bend Lagoon); Airborne Electro Magnetic (AEM) survey data processing; implementing actions established through the IFarm Planning program (i.e. establishing biodiversity corridors in irrigated landscapes and preserving historic, foundational salinity data); delivering against statutory responsibilities (e.g. coordination of the Salinity Accountability Advisory Committee and Victorian Salt Disposal Working Group reporting); implementing regional surface and groundwater monitoring/maintenance programs; refining salinity management policy (i.e. establishing a review process for Water Use Licences and developing a Mallee Salinity Management Framework educational program); undertaking salinity research (i.e. a review of the Seasonal AUL adjustment process, options analysis for irrigation drainage disposal basins, and managing impacts from increased water applications due to climate change); and delivering communication and engagement activities.

Sustainable Irrigation Program (State)

- Progressing priority actions established by the Victorian Mallee Irrigation Region Land and Water Management Plan through implementation of Mallee Irrigation Frameworks, Wise Water Use and Best Practice, Irrigation Drainage Management, and BSM2030 projects. Key activities included: Preparing and submitting the 2024–25 BSM2030 Implementation Report to provide an assessment of the salinity impact of irrigation development under the Nyah to South Australian Border Salinity Management Plan; completing the BSM2030 Nyah to SA Border Accountable Action Review; updating Regional Irrigation Development Guidelines to incorporate recommendations from the Mallee Hydrological Buffers Review, with changes adopted as of 1 January 2026; ongoing coordination and communication of the Seasonal Annual Use Limit (SAUL) adjustment process; and promotion of the Mallee Irrigation Incentive Program through media and at stakeholder focused events (e.g. Irrigator 'Shed' meetings and Mildura Field Days).

- Collaborations with key stakeholders to inform project delivery and build awareness of sustainable irrigation practices/water management was supported through: Coordination of the Victorian Mallee Irrigation Region Land and Water Management Plan Stakeholder Implementation Committee; and coordination of the New Irrigation Development Group to consider all Irrigation Development applications and Irrigation Drainage Plans submitted for approval.

- Participation in other key policy and partnership forums, including the Victorian Salt Disposal Working Group, statewide Sustainable Irrigation Program forum, and Seasonal Annual Use Limit (AUL) Adjustment Review Panel.

Performance

Performance against 2025–26 Agricultural Land activity indicators, including actual delivery against budgeted targets, is presented according to the Ministerial 'Priority Area' with which they align (see Table 9).

Overall, 90 percent of performance targets were achieved or exceeded over the reporting period; with one of the ten measures unable to be progressed as originally scheduled (i.e. exceeded -5% variance), specifically:

- Irrigation infrastructure upgrades/conversions and/or scheduling equipment installed: Performance against this measure is dependent on the number, nature and timing of expressions of interest (EOI) received from growers through the Mallee Irrigation Incentive Program (MIIP). The program, which provides financial assistance (based on cost-sharing arrangements) for system and equipment upgrades that deliver water use efficiency and salinity benefits, received limited interest from irrigators throughout 2025–26 and no associated works were completed within the reporting period. With most irrigators having already improved their management practices (e.g. 98% applying pressurised systems) a review of the MIIP is being undertaken to support adaptive management processes.

Table 9 | Performance against 2025–26 Agricultural Land activity measures (*NA applied to identify where annual targets have not been specified by associated funding agreement(s) or reporting framework)

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Water for Agriculture (Irrigated land) - *Support a productive and profitable irrigation sector and vibrant and resilient regional communities*						
Promote sustainable irrigation management practices to support the growth and viability of regional communities *(Ministerial Expectation 10.1.1.001)*	Collaborations with key stakeholders (community, Traditional Owners, water corporations) to identify/implement effective responses to the changing needs of irrigated agriculture in the Victorian Mallee	number	10	NA*	NA*	✓
	Regional Irrigation Development Guidelines prepared/maintained	number	1	1	0	✓
Plan and coordinate activities to manage salinity, waterlogging and water quality in agricultural areas *(Ministerial Expectation 10.2.1.001)*	2018–28 Land Water Management Plan (LWMP) priority management actions progressed	number	19	19	0	✓
	Alignment with Victorian Irrigation Drainage Program Strategic Directions 2021–2024	percent	100	100	0	✓
	Compliance with DEECA guidelines for Annual BSM2030 Implementation Report	percent	100	100	0	✓
	Accountable action reviews progressed as per BSM2030 Register	percent	100	100	0	✓
	Annual Mallee Salinity Investment Plan priority activities progressed	percent	100	100	0	✓
Improve flexibility for agriculture to continue to adapt to change and help the sector to increase water use efficiency (WUE) *(Ministerial Expectation 10.3.1.001)*	Irrigation infrastructure upgrades/conversions for improved water use efficiency (WUE) and salinity benefits	hectares	0	13	-100%	■
	Irrigation scheduling equipment installed for improved water use efficiency (WUE) and salinity benefits					
Dryland Agriculture - *Supporting improved productive capacity and resilience of dryland agricultural soils*						
Promote innovative, diverse, adaptable, and resilient agricultural systems that maximise production potential, minimise risk, and enhance viability – including drought preparedness actions, climate ready strategies, and new technology applications	2022–28 Mallee Dryland Sustainable Agriculture priorities progressed	percent	88	>75	0	✓
	2024 Mallee Drought Resilience Plan priorities progressed	percent	71	>50	0	✓

Theme: 2D Culture and Heritage

The region's rich and diverse Aboriginal culture, and heritage has been formed through the historical and spiritual significance of sites associated with human occupation spanning thousands of years, together with the enduring connection TOs/First Peoples have with Mallee landscapes.

The oldest dated Aboriginal heritage site in the Mallee region is located at Direl (Lake Tyrrell), with human activity recorded as far back as between 26,600 and 32,000 years ago, although use of the site was possibly as early as 45,000 years ago.

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

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

Intangible cultural heritage is integral to these landscapes, including the Traditional knowledge, practice, and expressions (e.g. biocultural knowledge, ceremonies, language, dance, song and stories) passed down from generation to generation. Natural elements of the landscape such as landforms, flora and fauna can also have particular significance to TOs.

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

For many thousands of years, the Country was managed and cared for by local First Peoples. As custodians of the oldest living culture in the world, TOs have always understood the responsibility that comes with looking after and speaking for the Country of their ancestors and future generations. Cultural landscapes are fundamental to Country and the cultural identity of First Peoples. Caring for and healing Country with Traditional ecological knowledge and customs built over thousands of years of practice is integral to this connection.

Regard for data sovereignty is fundamental to both Traditional practice and cultural landscapes. Specifically, that TO rights to maintain, control, protect and develop their cultural heritage, Traditional knowledge, and Traditional cultural expressions, as well as their right to maintain, control, protect and develop their intellectual property over these is recognised and meaningfully applied.

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

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

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

- Mallee Regional Catchment Strategy (2022–28) – *Culture and Heritage theme*
- Mallee CMA Indigenous Participation Plan (2023–28)
- Mallee CMA Reconciliation Action Plan (2024–28)
- Pupangarli Marnmarnepu 'Owning Our Future' Aboriginal Self-Determination Reform Strategy 2020–25
- Water is Life: Traditional Owner Access to Water Roadmap (2022).

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against two key indicators (see Table 10).

Achieving full compliance with Aboriginal Heritage Regulations over the reporting period has been facilitated by ongoing implementation of the Mallee CMA Cultural Heritage Assessment Policy and Procedure (2023). This has included 705 Cultural Heritage assessments being undertaken at proposed works sites over the 2021–26 reporting period, encompassing all areas of our organisation's on-ground works programs (i.e. land, water, and biodiversity). Twenty one CHMPs covering some 1,627ha have also been developed, approved, and lodged by Mallee CMA with First Peoples – State Relations over the past five years to identify the potential impacts of proposed

activities and establish the measures to be taken to manage and protect Aboriginal cultural heritage.

It is assumed that a site listed on a relevant heritage register is afforded some level of protection, and similarly that sites captured within a CHMP are protected through associated threat/risk mitigation activities. This assumption is applied in determining progress against the organisation's stated outcome for Culture and Heritage. Mallee CMA Cultural Heritage Assessment and CHMP processes require that the location of any new (i.e. unregistered) sites identified as part of on-site inspections are provided to First Peoples – State Relations for inclusion on the Aboriginal Cultural Heritage Register and Information System (ACHRIS) database. While records are not kept regarding the number of sites specifically provided by Mallee CMA, performance at a regional scale is demonstrated by the total number of additional Aboriginal places and individual components registered in ACHRIS; which, since 2021–22 has been 250 and 966 respectively.

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

Ongoing Traditional Owner participation in workshops, on-Country visits and cultural assessments continues to enhance this partnership approach by providing for the identification, incorporation of cultural knowledge, practice and objectives into NRM activity across the region. Key examples of 2021–26 programs supporting the application of Traditional Owner led knowledge/ practices that provide for the healing and strengthening of Country and Culture have included:

- First People of the Millewa Mallee participating in the design of and implementation of actions (e.g. revegetation, pest plant and animal control, exclusion fencing, water delivery) to rehabilitate sites (e.g. Neds Corner, Merbein Common, Walpolla Island) with significant culture and heritage values.
- Dalki Garringa Native Nursery (Barengi Gadjin Land Council) and Belar Nursery (First People of the Millewa Mallee) undertaking seed collection and growing seedlings for riparian and terrestrial revegetation programs.
- Traditional Owners undertaking Aboriginal Waterway Assessments to document the cultural health and use of priority waterways, identify associated aspirations for sites; supporting implementation of short-medium term priorities, and the development of pathways delivering against long-term goals.

Table 10 | Progress against performance measures for Culture and Heritage strategic outcome indicators (*NA applied to identify where reporting against associated indicator had not commenced)

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Increased recognition and protection of the region's cultural values	Compliance with *Aboriginal Heritage Amendment Act 2016* (i.e. no non-compliance reports registered)	percent	100	100	100	100	100
	Registered Aboriginal Places (ACHRIS)	number	4,455	4,457	4,470	4,582	4,705
	Components Recorded (ACHRIS)	number	6,281	6,302	6,401	6,674	7,247
Traditional Owner led practices rejuvenated and knowledge protected and applied to meet cultural objectives that include social, ecological, and economic co-benefits	Programs applying TO led practices/knowledge to manage and heal Country	number	NA*	3	5	7	10

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Culture and Heritage outcomes were implemented through 5 key initiatives in 2025–26 as outlined below.

All Programs

- Application of Mallee CMA Cultural Heritage Assessment Policy and Procedure by all 2025–26 projects delivering on-ground works programs resulted in 121 Cultural Heritage assessments being undertaken at proposed works sites. Through these programs, Mallee CMA demonstrated 100% compliance with obligations as set out by the *Aboriginal Heritage Amendment Act 2016*.

Murray-Darling Basin Plan (Commonwealth)

- Approval of 13 Cultural Heritage Management Plans encompassing 1,129ha to inform infrastructure works being delivered by the Restoring Flows to the Mallee Floodplain project, with 10 Traditional Owner groups participating in cultural assessments of proposed works sites.

Our Catchments, Our Communities (State)

- First People of the Millewa Mallee participating as decision makers and delivery partners in the planning and implementation of on-ground actions (revegetation, invasive species management, exclusion fencing) to support the rehabilitation of four sites with significant cultural values. This included First People led workshops to identify cultural values and management priorities for the Nulta Ruwe (Lake Walla Walla) target area to inform development of a site Master Plan. The Plan provides a strategic framework for future, self-determined on-ground works to address recreational and invasive species impacts, protect priority habitat, preserve significant Cultural Heritage values, and strengthen Traditional Owner stewardship and long-term management of Country.
- Maintaining formal partnership arrangements with Traditional Owners/Aboriginal Community through the Aboriginal Reference Group to progress Mallee Catchment Partnership Agreement Annual Action Plan priorities, including delivery against Indigenous Participation Plan and Reconciliation Action Plan targets.

Protecting Biodiversity Program (State)

- First People of the Millewa Mallee participating as decision makers and delivery partners in the planning and implementation of on-ground actions (invasive species management) to support biodiversity and cultural outcomes across the 20,421ha Neds Corner landscape.

Water Cycle Adaptation Action Program (State)

- First People of the Millewa Mallee participating as decision makers and delivery partners in the planning and implementation of on-ground actions (exclusion fencing, revegetation, surface irrigation) to protect vulnerable cultural sites and ancestral remains. Building on the long-running Punnon Pulgi program, which has restored and protected ancient burial grounds across the Mallee, the project is delivering against cultural objectives for these sites by addressing the challenge of establishing and maintaining vegetation cover on exposed dune systems in remote locations.

Waterway Health Program (State)

- Two Registered Aboriginal Parties (Barenji Gadjin Land Council and First People of the Millewa Mallee) represented on the Mallee Waterway Strategy Steering Committee, supporting development of a 10-year plan for the management of priority waterways. Each of the region's Traditional Owner groups have also been engaged to support the identification of associated priorities and cultural objectives.
- First People of the Millewa Mallee participating in Flagship Waterway Project Steering Committees to inform project planning, delivery and evaluation processes. They also delivered revegetation works at the Merbein and Kings Billabong sites to support the restoration of landscapes that have had recreational impacts removed.

Performance

Performance against the organisation's 2025–26 priority activities for progressing Culture and Heritage outcomes, including actual delivery against budgeted targets are provided in Table 11.

Overall, 80 percent of performance targets were achieved or exceeded over the reporting period; with one of the five measures unable to be progressed as originally scheduled (i.e. exceeded -5% variance), specifically:

- Cultural Heritage Management Plans approved and lodged by Mallee CMA: While 13 of the scheduled 16 Plans have been lodged with First Peoples – State Relations, three are still being progressed through associated approval processes and are expected to be finalised in early 2026–27.

Table 11 | Performance against 2025–26 Culture and Heritage activity measures (*NA applied to identify where annual targets have not been specified by associated funding agreement(s) or reporting framework)

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Ensuring compliance with legal requirements for the protection of Cultural Heritage (intangible and tangible)						
Implement Mallee CMA Cultural Heritage Assessment Policy and Procedure (2018)	Proposed works sites with completed cultural heritage assessments/approvals	percent	100	100	0	✓
	Cultural Heritage Management Plans approved and lodged by Mallee CMA with First Peoples – State Relations	number	13	16	-19	■
Advancing opportunities for self-determined participation and leadership by Traditional Owners to deliver on cultural objectives and priorities						
Traditional Owners speaking for Country through self-determined processes	Program planning/investment processes including Traditional Owner groups as decision makers	number	13	NA*	NA*	✓
	Traditional Owner groups undertaking cultural value assessments	number	10	NA*	NA*	✓
	Projects delivering against cultural objectives and priorities	number	14	NA*	NA*	✓



Cultural heritage assessment.

BUSINESS OBJECTIVE 3

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

Theme: 3A Governance and Compliance

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

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

Mallee CMA is also committed to building a diverse workforce and a culture of equality in all areas of our business by valuing social and professional identity, diverse perspectives, backgrounds, experiences, uniqueness and creativity.

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

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

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

- Ministerial Expectations for Performance and Financial Management and Leadership, Diversity and Culture (2025–26)
- Ministerial Additional Areas of Interest – Customer Data Protection and Cyber Security
- Mallee CMA Quality Objectives (2025–26)
- Mallee CMA Risk Management Framework
- Mallee CMA Cultural Competency Framework (2025–2026)
- Mallee CMA Gender Equality Action Plan
- Mallee CMA Diversity Inclusion Plan (2025–2026)
- Mallee CMA Integrity, Fraud and Compliance Framework (2024–27)
- Mallee CMA Social Procurement Strategy (2025–2028)
- Mallee CMA Cyber Security Strategy (2025–28)
- Mallee CMA Protective Data Security Plan (2024–26)
- Mallee CMA Cyber Incident Response Plan (2025–2028)
- Mallee CMA Strategic Internal Audit Plan (2025–26)
- Mallee CMA Asset Management Accountability Strategy (2025–2028).

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against two key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 12).

Performance and Financial Management

Mallee CMA's commitment to a high level of corporate governance continues to be demonstrated by the ongoing effort invested in retaining ISO 9001:2015 certification for our Quality Management System (QMS). Since achieving certification in 2016, annual surveillance audits have not identified any major non-conformities. Three yearly re-certification audits conducted in 2022 and 2025 did not identify any major or minor non-conformities, with recertification for the 202–2028 period achieved in October 2025. Furthermore, 100 percent of areas identified for improvement by these audits and annual management reviews continue to be addressed on an ongoing basis.

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



NAIDOC celebrations.

Several regional strategies and plans were progressed in line with legislated requirements and government guidelines over the 2025–26 reporting period. This included the Mallee Regional Catchment Strategy (2022–2028) and its 2025 mid-term review, the Mallee CMA Indigenous Participation Plan (2023–2028), the Mallee Reconcilation Action Plan (2024–26), and the Mallee CMA Social Procurement Strategy (2025–2028).

Leadership, diversity, and culture

The Mallee CMA Gender Equality Action Plan (GEAP) was accepted by the Commissioner for Gender Equality in the Public Sector in June 2022. Reporting against the strategies and measures set out by the GEAP commenced in 2022–23, with Progress Reports submitted in February 2024 and April 2026. These reports demonstrated our advancement towards achieving gender equality through Gender Impact Assessments (GIAs) resulting in improvements across communication and engagement activities, including removing gender bias from language, ensuring gender balance in imagery, presenters and event staffing, and making materials more accessible through captions, translated fact sheets and inclusive design. Engagement activities were also shaped to be gender neutral by focusing on community values, uses of wetlands and broad accessibility needs, such as venue access, to support participation by people of all genders and diverse backgrounds.

Audit data demonstrates positive progress across several gender equality indicators, with women well represented across the workforce, senior leadership, recruitment, promotions and the Board. The overall remuneration pay gap has improved, and reported experiences of sexual harassment reduced, while flexible work and parental leave data continue to demonstrate support for work–life balance.

A renewed GEAP was submitted to the Commissioner for Gender Equality in April 2026, detailing our commitment to gender equality throughout the organisation and ensuring it is embedded in all workplace behaviour and decision-making processes.

The Diversity and Inclusion Plan was updated in March 2025 and continues to demonstrate our commitment to an inclusive workplace and community. Implementation of the Plan over the reporting period has promoted the celebration of diversity within the organisation. This includes providing diversity training, encouraging diverse perspectives in decision-making, and ensuring equitable opportunities for all employees. Diversity and inclusion are integral parts of the organisation's culture, policies, and practices, from leadership to everyday interactions and creates a culture of support and understanding by providing training on mental health awareness, encouraging open discussions about wellbeing, and offering resources such as employee assistance programs.

Table 12 | Progress against performance measures for Governance and Compliance strategic outcome indicators (*NA applied to identify where reporting against associated indicator had not commenced).

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Improved performance and demonstrating outcomes							
Improved performance and demonstrated results against outcomes (Ministerial Expectation 7.2.1 - Improved Efficiencies & 7.3.1 - Improved Performance)	Ongoing maintenance of ISO 9001:2015 certification achieved in 2016 (measure: major non-conformities findings by annual surveillance audits and three yearly accreditation audits)	number	0	0	0	0	0
	Quality Management System (QMS) initiatives implemented to support ongoing improvements/efficiencies	number	8	7	6	8	9
	Government approval/acceptance of Mallee CMA Annual Reports, Corporate Plans, Board/Audit and Risk Committee performance assessment reports, and legislated regional strategies/action plans	percent	100	100	100	100	100
	Statutory requirements (permits, referrals, advice, and licenses) responded to within the prescribed period (measure: <28 working days)	percent	100	100	100	100	100
	Registered stakeholder feedback which is 'positive'	percent	87	83	100	100	100
	Participants rating the delivery of information at engagement activities as good/excellent	percent	98	98	98	99	99
Leadership, Diversity, and Culture							
Increased diversity and inclusion in the workplace (Ministerial expectation 6.1.1 - Diversity and Inclusion)	Mallee CMA Diversity and Inclusion Plan workforce initiatives implemented	percent	100	100	100	100	100
	Mallee CMA Gender Equality workforce initiatives implemented	percent	NA*	100	100	100	100



Waterway management planning with community.



World Wetlands Day, Catfish Billabong.

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Governance and Compliance outcomes and deliver against associated Ministerial Priority Areas were implemented through 2 key initiatives in 2025–26 as outlined below.

Catchment Governance Program (State)

- Developing, implementing and reporting of business plans to support compliance with legislative obligations including the 2024–25 Annual Report, 2026–31 Corporate Plan, and 2025–26 Board and Audit and Risk Committee performance assessment report.
- Delivering against the organisation's overarching Information, Communication and Technology (ICT) strategy to ensure that individual components are part of a coordinated framework which continues to identify efficiency opportunities.
- Maintaining key information management systems, including: social media platforms and Mallee CMA website; Technology One financial and document management; employee induction and development training, and supplier induction and incident reporting.
- Progressing priorities established by the Mallee CMA Gender Equality, and Diversity and Inclusion (D&I) Implementation Plan, including: D&I training, gender representation in recruitment and promotions, opportunities for Victorian Aboriginal people, implementation of Mallee CMA Reconciliation Action Plan, celebrating diverse cultures, opportunities for youth development, participating in gender identity days, opportunities for Victorians with disability, flexible work arrangements and mental health safety.
- Progressing priorities established by the Mallee CMA Gender Equality Action Plan (GEAP), including women in leadership, gender balance in committee membership, promoting internal committee observation; GEAP reporting; recruitment panel gender balance; People Matter Survey positive results; and youth employee opportunity.
- Strengthening actions identified within the Victorian Protective Data Security Framework by: updating contracts to include third party data security arrangements; reviewing processes and updating asset lifecycle management documentation; continuing to manage the secure disposal of public sector information; managing security, probity obligations and risk profile of personnel separating from the organisation; selecting physical security measures commensurate with the business impact level of the information; and implementing physical security measures when handling information out of the office.
- Undertaking an annual review of the Mallee CMA Cyber Incident Response Plan and progressing the Essential Eight approach to reduce cyber security risk.

Waterway Health Program (State)

- Participating in reporting focused forums (e.g. Regional Investment Coordinators Working Group, DEECA Output and Delivery Standards Working Group) to support delivery against investor requirements and continuous improvement in internal systems/ processes.
- Delivering against the Mallee CMA statutory responsibilities regarding floodplain management and works on waterways, including processing 32 planning referrals, providing 68 formal responses to enquiries, and issuing 9 waterway permits within required timeframes (<28 days).
- Ongoing application of the Floodzoom program, including Planning System module for processing and responding to integration floodplain referrals, advice and works on waterways permits.
- Undertaking a review of the Mallee Waterway Strategy as per Ministerial guidelines, with a renewed Strategy to be released in 2026–27.

Performance

Performance against 2025–26 Governance and Compliance activity indicators, including actual delivery against budgeted targets, is presented according to the Ministerial 'Priority Area' with which they align (seeTable 13).

Overall, 89 percent of performance targets were achieved or exceeded over the reporting period with 2 of the 18 measures unable to be progressed as originally scheduled (i.e. exceeded -5% variance), specifically:

- Improve Technology One (T1) contractual and legislative compliance system rescheduled to 2026–27 due to upgrading T1 platform to Cloud version.
- Protective marking metadata in Data Archiving rescheduled to 2026–27 to align with Information Management Project timeframes.

Table 13 | Performance against 2024–25 Governance and Compliance activity measures

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Implementing actions that improve performance & demonstrate outcomes						
Achieve efficiency and cost-savings through shared services, smarter procurement, and lower-cost technology (Ministerial Expectation 7.2.1.001)	Strategies undertaken to achieve efficiencies and cost savings	number	9	10	-10	■
Collaborate with DEECA and other funding bodies to improve reporting systems and processes (Ministerial Expectation 7.3.1.001)	Reporting-focused forums coordinated and/or supported to meet government and internal requirements	number	6	6	0	✓
	Compliance with DEECA 2024-25 Annual Report guidelines	percent	100	100	0	✓
	Compliance with DEECA 2026-31 Corporate Plan guidelines	percent	100	100	0	✓
	Compliance with DEECA Guidelines for Board and Audit and Risk Committee performance assessment report	percent	100	100	0	✓
	Strategic planning, evaluation and reporting frameworks developed/reviewed in line with government/internal requirements	number	15	15	0	✓
Reflect the needs of our diverse communities and develop strategies that will increase cultural diversity in the workplace and gender equity in both executive leadership and throughout the organisation						
Mallee CMA Diversity & Inclusion Plan published and implemented (Ministerial Expectation 6.1.1.001 & 6.1.1.008)	Diversity & Inclusion Plan available on Mallee CMA website	percent	100	100	0	✓
	Priorities established by the Mallee CMA Diversity & Inclusion Implementation Plan progressed/implemented	percent	100	100	0	✓
Mallee CMA Gender Equality Action Plan published and implemented (Ministerial Expectation 6.1.1.002 & 6.1.1.008)	Gender Equality Action Plan available on Mallee CMA website	percent	100	100	0	✓
	Priorities established by the Gender Equality Action Plan progressed/implemented	percent	100	100	0	✓
Staff participation in the Victorian Public Sector Commission 'People Matter' Survey (Ministerial Expectation 6.1.1.005)	Staff participating in 'People Matter' survey	percent	91	>80	0	✓
Satisfy Customers	Works on Waterway statutory referrals responded to within required timeframes (< 28 days)	percent	100	100	0	✓
	Registered stakeholder feedback which is positive	percent	100	>85	0	✓
	Participants rating the delivery of information at Mallee CMA events/activities as good/excellent (not fair/poor)	percent	99	>90	0	✓

Continued...

Table 13 | Performance against 2024–25 Governance and Compliance activity measures *Continued...*

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Implementing activities and actions identified within the Victorian Protective Data Security Framework						
Improve the information security maturity of the business and protect customer information from loss or exploitation by employees, contractors or malicious third parties (Ministerial Expectation AAoI1)	Strategies/measures in place	number	7	8	-12	■
Respond to data breaches that have, or had potential to, compromise customer information (Ministerial Expectation AAoI1)	Plans in place	number	1	1	0	✓
Adopt one of, or a combination of two, internationally recognised approaches to reduce cyber security risk (Ministerial Expectation AAoI2)	Approaches applied	number	1	1	0	✓
Demonstrate progress and an ongoing commitment to integrating cyber risk management capacity, capability, process and system improvements into planning and decision making across the business (Ministerial Expectation AAoI2)	Activities/actions to reduce exposure to cyber-attack, minimise the impacts of service disruption to customers, and restore services promptly following an attack	number	8	8	0	✓



Mallee CMA event, Irymple.



Erosion protection, Merbein Common.

Theme: 3B Integrated Catchment Management

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

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

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

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

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

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

- Ministerial Expectations for Catchment Health, Climate Change and Energy and Resilient and Liveable Cities and Towns (2025–26)
- Mallee Regional Catchment Strategy (2022–28) - Local Area targets
- Mallee Drought Resilience Plan (2024)
- Our Catchments, Our Communities: Strengthening the Catchment Stewardship Framework in Victoria (2024)
- Integrated Water Management Framework for Victoria (2017)
- Water for Victoria (2016)
- Victoria's Climate Change Strategy (2021).

Outcome Indicators and Performance Measures

Progress against this strategic outcome is measured through organisational performance against three key indicators. These indicators are presented according to the Ministerial 'Priority Area' with which they align (see Table 14).

Catchment Health

Mallee CMA programs and projects are collectively achieving ICM outcomes across the region through their alignment with regional priorities detailed within the Mallee RCS. Developed in partnership with regional stakeholders, review and renewal of this primary strategic planning document was undertaken in 2021-22 to establish the next six-year framework for strategic action that supports and focuses the ongoing coordinated effort of the region's land managers, government agencies, community groups, and Traditional Owners. With the release of the revised 2022–28 document in January 2023, the new framework set out by the Strategy has been applied in assessing performance against 2022–26 outcome indicators; with the previous three years measured against the 2013–19 RCS.

The RCS prioritises key threatening processes and associated interventions within high value landscapes (Local Areas) to deliver environmental, social and economic outcomes for multiple asset types (e.g. waterways, biodiversity, and community capacity) and their associated natural, cultural, and/or productive values. Alignment with these priorities over the reporting period is demonstrated by the extent to which Mallee CMA NRM activities deliver against medium-term targets each year (85 percent average), and the high proportion of associated works that are being delivered annually within priority landscapes (94 percent average).

Progress against RCS targets is also considered as part of the Mallee Condition and Management Report (see Appendix 2). Developed to align with government guidelines, the report provides an annual assessment of the condition of biodiversity, waterway, agricultural land, culture and heritage, and community capacity assets; and the likely impact of management actions, climatic events and other influencing factors on condition outcomes.

Application of RCS integrated catchment management (ICM) framework directly informed the development of the 2021–28 'Islands in the Sand – Ancient Connections'

project. This initiative is delivering against community and Traditional Owner priorities for two Mallee RCS Local Areas: the 'Murray River and Floodplain' and 'Murray Scroll Belt'; with activities providing landscape-scale stewardship outcomes for multiple assets occurring within these priority landscapes.

Opportunities for integrated outcomes across the broader region are identified and progressed through ongoing stakeholder participation in the Mallee's two Catchment Partnership Committees (CPCs). These Sustainable Agriculture and Biodiversity/Water focused forums are delivering against the objectives of the Mallee Catchment Partnership Agreement by enhancing knowledge sharing between members and further strengthening collaborative approaches to NRM. Traditional Owner and Aboriginal Community participation in regional planning prioritisation, implementation and evaluation processes is also being facilitated through their representation on Mallee CMA's Aboriginal Reference Group.

Climate Change and Energy

The Mallee RCS (2022–28) identifies priority management directions required to support adaptation and resilience outcomes for Biodiversity, Waterways, Agricultural Land, and Community Capacity at both the regional and landscape (Local Area) scale. Preparation of the Mallee Biodiversity and Agricultural Natural Capital Emergency Preparedness and Response Plan (2024), as an addendum to the RCS, has also provided for the identification of priority actions to build resilience to extreme weather events and improve recovery outcomes. Application of priorities established through both the RCS and this addendum into the ongoing delivery of regional programs is supporting Mallee CMA to continue to plan for and respond to a changing and variable climate.

Ongoing participation on Victorian CMA's state-wide climate change forum is facilitating knowledge transfer and supporting coordinated approaches to associated planning processes. Key initiatives progressed by the forum over the 2021–26 period included improving stakeholder understanding of opportunities and challenges of co-benefits and co-investments related to carbon offsets in the water sector, identifying key knowledge gaps and associated opportunities to progress Teal carbon outcomes, implementing the Water Cycle Adaptation Action Program, and delivery of the Exploring Natural Capital Approaches for Victorian CMAs.

Throughout 2021–26, Mallee CMA has also worked with regional stakeholders to deliver activities that provide for improved climate adaptation and/or carbon sequestration outcomes, including: implementing the Carbon Farming Outreach Program; delivering a BushBank – 'sequestering carbon and securing biodiversity' grant; investigating and promoting drought resilient and climate smart dryland farming systems; and mitigating the impacts of a changing climate on Cultural Heritage values.



Revegetation, Stewardship program.

Resilient and liveable cities and towns

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

Table 14 | Progress against performance measures for Integrated Catchment Management strategic outcome indicators

Outcome Indicators	Performance measures	Unit of measure	2021–22	2022–23	2023–24	2024–25	2025–26
Catchment Health							
Improved catchment health and resilience (Ministerial Expectation (9.1.1 - Regional Strategies, 9.2.1 - Integrated Catchment Management & 9.3.1 - Partnership Agreements)	Progress against Mallee RCS management outcome targets[1]	percent	95	80	80	86	83
	Delivery within Mallee RCS Local Areas to support integrated catchment management (ICM) outcomes[2]	percent	92	97	94	92	95
	Collaborative initiatives implemented through Catchment Partnership Agreement (CPA) forums	number	2	4	12	11	12
Climate Change and Energy							
Demonstrating progress in integrating climate change adaptation into planning and decision-making across the business (Ministerial Expectation 1.4.1 - Carbon Sequestration)	Carbon sequestration/offsets and climate adaptation initiatives delivered	number	3	2	4	6	8
	Mallee RCS adaptation priorities progressed	percent	94	100	94	100	100
Resilient and liveable cities and towns							
Enhanced public spaces and urban waterway values (Ministerial Expectation 5.1.1 - Integrated Water Management)	Initiatives implemented through integrated waterway management (IWM) collaborations	number	4	4	4	5	5

[1] 2022–23 represents first year reporting against 30 medium-term outcome targets established by renewed (2022–28) RCS
[2] 2022–23 represents first year reporting against 9 Local Areas established by renewed (2022–28) RCS.

Activity Indicators and Performance Measures

Key Initiatives and Projects

Project activities to progress Integrated Catchment Management outcomes and deliver against associated Ministerial Priority Areas were implemented through 10 key initiatives in 2025–26 as outlined below.

BushBank Program (State)

- Delivery of the 'Restoring Mallee Connections – sequestering carbon and securing biodiversity' project, with carbon sequestration projected to be 12,009 tCO2-e over 25 years.

Catchment Governance Program (State)

- Monitoring implementation of the Mallee RCS (2022–28) through the ongoing application and maintenance of a regional evidence base to facilitate the collection, collation and communication of information required by associated reporting frameworks (e.g. preparation of 2024–25 Condition and Management Report as per government guidelines).

Future Drought Fund – Regional Drought Resilience Planning Program (State)

- Coordination of Mallee Drought Resilience Plan Implementation Grants and associated Governance Group, with seven projects being supported to deliver activities that build community and individual resilience to drought.

Integrated Water Management Program (State)

- Participation on the Northern Mallee Integrated Water Management forum to facilitate collaboration with water corporations and local government, and provide for the preparation, monitoring and implementation of associated Plans.

- Completion of a study to investigate the feasibility of repurposing disused irrigation infrastructure to provide a reliable and cost-effective way of delivering environmental water to Lake Hawthorn, while also providing possible flood mitigation measures.

Mallee Salinity Investment Plan (Other)

- Completion of a study investigating the potential impacts of climate change on the regional water table under the anticipated increase in water use for irrigated horticulture in the Mallee. Water table changes in three irrigation regions (Merbein, Colignan and Boundary Bend) were assessed through a daily analytical water balance model and applying climate change scenarios.

Natural Heritage Trust (Commonwealth)

- Participation on forums supporting collaborations and information sharing on carbon sequestration initiatives and climate change/climate variability opportunities (e.g. Climate Risk Management CoP, Low Rainfall Zone Dryland Farming CoP, Loddon Mallee Regional Drought Coordination Group, and Carbon Farming Outreach Program Working Group).

- Three 'Climate Smart Agriculture' projects being implemented across dryland agricultural landscapes: Increasing capacity of Mallee farmers to identify and adopt climate smart farming practices through the use of innovative soil mapping tools; More grain per drop of rain – increasing the yield potential of Mallee dryland cropping systems in a drying climate, and Mallee Sustainable Agriculture Services - maintaining groundcover in high erosion risk landscapes.

Our Catchments Our Communities (State)

- Place-based on-ground stewardship projects being delivered by local stakeholders and Traditional Owners, encompassing: 6 private landholders implementing actions to protect 3,755ha of priority riparian habitat; Traditional Owners (First People of the Millewa Mallee) implementing actions to protect 456ha of priority habitat from erosion impacts and planning actions that will protect a further 3,800ha from recreational and invasive species impacts; and local community/land managers maintaining works completed under previous (2020–24) OCOC investment to enhance environmental and recreational values of the 471ha Lake Cullulleraine target area. Collectively, these actions provided for multiple (environmental, economic, social and cultural) outcomes across two Mallee RCS priority local areas: the 'Murray River Floodplain' and 'Murray Scroll Belt'.

- Implementation of the Mallee Catchment Partnerships Framework to support collaborative approaches to planning delivery and evaluation. This included ongoing coordination of the region's two Catchment Partnership Committees (Sustainable Agriculture and Biodiversity/Water) and participation of Traditional Owners/Aboriginal Community through the Aboriginal Reference Group to progress Mallee Catchment Partnership Agreement Annual Action Plan priorities.

- Participation on state-wide forums supporting collaborations and information sharing on carbon sequestration initiatives and climate change/climate variability opportunities (i.e. VCMA Climate Change Working Group and Natural Capital Project Steering Committee).

Protecting Biodiversity Program (State)

- One placed-based on-ground stewardship project being delivered in partnership with Traditional Owners (First People of the Millewa Mallee) to support biodiversity and cultural outcomes across the 20,421ha Neds Corner landscape.

Saving Native Species (Commonwealth)

- Place-based on-ground stewardship projects delivered in partnership with public and private land managers to support landscape-scale actions that protect critical Malleefowl habitat within two Mallee RCS priority areas for management (Annuello- Wandown and Wyperfeld Complex) .

Water Cycle Adaptation Action Program (State)

- Implementation of the Delivering Water to High Value Cultural Heritage sites in a Changing Climate project to help address the challenge of stabilising dunes that contain ancient burial grounds, where their remoteness and having no permanent water source make establishing and maintaining vegetation cover across these sites difficult.

Performance

Performance against 2025–26 Integrated Catchment Management activity indicators, including actual delivery against budgeted targets, is presented according to the Ministerial 'Priority Area' with which they align (see Table 15); with 100% of performance targets achieved over the reporting period.



Table 15 | Performance against 2025–26 Integrated Catchment Management activity measures (*NA applied to identify where annual targets have not been specified by associated funding agreement(s) or reporting framework)

Activity Indicators	Performance measures	Unit of measure	2025–26 actual	2025–26 target	Performance variation (%)	Result
Catchment health - *Provide leadership in delivery of programs to improve the health of priority catchments*						
Coordinate implementation and reporting of RCS in line with legislative requirements (Ministerial Expectation 9.1.1.001)	Compliance with guidelines for development and dissemination of RCS Annual Report (Catchment Condition and Management Report)	percent	100	100	0	✓
	Compliance with RCS mid-term review guidelines	percent	100	100	0	✓
Deliver integrated catchment management (ICM) in line with Our Catchments Our Communities (OCOC) – Building on the legacy for better stewardship (Ministerial Expectation 9.2.1.001)	Place-based on-ground catchment stewardship projects delivered in partnership with local stakeholders and Traditional Owners	number	15	14	+7	✓
Partnership Agreements - *Committing to delivering integrated catchment management, including leading the implementation and monitoring of catchment partnership agreements*						
Report on Mallee Catchment Partnership Agreement (CPA) in accordance with the Framework for Catchment Partnership Agreements (Ministerial Expectation 9.3.001)	Delivery partners participating in Mallee CPA forums	number	15	15	0	✓
	Priority actions established by the CPA Annual Plan progressed	number	7	7	0	✓
Climate change - *Explore opportunities and/or deliver carbon sequestration initiatives and adapt to climate change and climate variability*						
Explore opportunities and/or deliver initiatives to: • **sequester carbon and generate carbon offset credits, and** • **adapt to climate change and climate variability** (Ministerial Expectation 1.4.1.001)	Opportunities explored in partnership with key stakeholders	number	11	NA*	0	✓
	Initiatives delivered	number	8	NA*	0	✓
Resilient and liveable cities and towns - *Contributing to healthy communities and supporting resilient, sustainable, and liveable environments*						
Actively participate and promote stakeholder collaboration with other organisations through IWM Forums, to help facilitate IWM (Ministerial Expectation 5.1.1.006)	IWM forums participated in	number	1	1	0	✓
Participate in the preparation and monitoring the implementation of IWM plans, particularly through prioritising measures to enhance waterway values (Ministerial Expectation 5.1.1.007 and 5.1.1.008)	IWM plans prepared/monitored/implemented	number	4	4	0	✓

PERFORMANCE REPORTING – FINANCIAL

Five-year financial summary

The Mallee CMA's financial results for this reporting year and the previous four years are detailed in Table 16.

Table 16 | Five-year financial summary

Five-year financial summary	2021–22 $'000	2022–23 $'000	2023–24 $'000	2024–25 $'000	2025–26 $'000
Operating revenue					
Commonwealth Government contributions	6,061	5,110	5,035	7,412	31,613
State Government contributions	11,150	9,792	9,033	10,379	9,149
Other revenue	9,109	8,244	6,229	5,217	5,963
Total Revenue	**26,320**	**23,146**	**20,297**	**23,008**	**46,725**
Expenditure					
Employee benefits expenses	6,365	6,440	5,913	6,233	6,686
Grants and Incentives	724	1,902	1,581	1,145	1,029
Other operating expenses	15,248	12,973	15,255	13,942	22,089
Total Expenditure	**22,337**	**21,315**	**22,749**	**21,320**	**29,804**
Assets					
Current assets	50,270	52,395	49,995	52,854	73,056
Non-current assets	333	464	769	680	426
Total Assets	**50,603**	**52,859**	**50,764**	**53,534**	**73,482**
Liabilities					
Current liabilities	666	833	549	1,334	4,390
Non-current liabilities	1,205	836	1,238	1,379	1,349
Total Liabilities	**1,871**	**1,669**	**1,787**	**2,713**	**5,739**

Current year financial review

Mallee CMA is financially sound, with adequate provisions in place to fulfil its obligations to employees, and replacement of plant and equipment. Sufficient resources are allocated to deliver the Corporate Plan business objectives, forming the organisation's strategic direction for 2026–27.

Mallee CMA reported a surplus of $16,921,330 (2025: surplus $1,843,745) for the financial year. Assets exceed liabilities by $67,742,552 (2025: $50,821,222).

Significant changes in financial position

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

Significant changes or factors affecting performance

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

Disclosure of grants and transfer payments

Mallee CMA has provided financial assistance as part of the grants and incentives programs it is responsible for administering. Grants were provided in 2025–26 to deliver targeted on-ground works including pest plant and animal control, fencing, revegetation, and track maintenance for Malleefowl conservation and threatened bird habitat restoration. Funding also supported drought resilience planning, sustainable agriculture practices (soil management and legume-based cropping systems), and community Landcare projects across the Mallee region.

Subsequent events

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

Table 17 | Disclosure of grants and transfer payments

Organisation	Payments
Implementing landscape-scale actions to conserve Malleefowl Pest animal control, fencing, and revegetation works	
National Malleefowl Recovery Group	15,000
2 Landholders	55,200
Mallee Drought Resilience Plan Community-led drought resilience and preparedness strategy	
Mallee Sustainable Farming Ltd	50,000
Mallee Landcare	24,695
Islands in the Sand (OCOC) 2024–28 Pest plant and animal control, fencing, revegetation works and track maintenance	
6 Landholders	133,596
Sustainable Agriculture Services Promoting sustainable legume-based cropping practices	
Mallee Sustainable Farming Ltd	257,755
Sustainable Agriculture Services Identifying, validating and promoting improved soil management practices	
Birchip Cropping Group	213,214
Threatened Mallee Birds: Restoring landscape-scale connectivity Pest plant and animal control and revegetation on public land reserves and private remnants	
Mallee Landcare Group	17,500

Continued...

Table 17 | Disclosure of grants and transfer payments *Continued...*

Organisation	Payments
Victorian Landcare Grants (Victorian Landcare Program) On-ground works that protect and restore the Victorian landscape	
Berriwillock Landcare Group	10,363
Beulah Landcare Group	10,363
Birchip Landcare Group	9,193
Cabarita Community Inc	500
Culgoa Landcare Group	10,363
Curyo-Watchupga Landcare Group	18,000
Friends of Mallee Conservation	11,070
Friends of Wyperfeld National Park Inc	11,979
Hopetoun Landcare Group	10,363
Kooloonong-Natya Landcare Group	10,363
Lalbert Landcare Group	10,363
Mallee Landcare	10,363
Manangatang Landcare Group	10,363
Millewa Carwarp Landcare	10,363
Murrayville Landcare Group	12,260
Nullawil Landcare Group	10,363
Nyah West Landcare Group	10,363
Oz Fish	7,830
Red Cliffs Community Landcare Group	6,705
Sea Lake Landcare Group	10,363
Ultima Landcare Group	10,363
Victorian Mallee Landcare Group	7,461
Waitchie & District Landcare Group	10,363
Weeah Landcare Group	10,363
Woomelang Lascelles Landcare Group	10,363
Yelta Landcare	12,049
Total	**$1,029,815**

PART 2

GOVERNANCE AND ORGANISATIONAL STRUCTURE





Organisational structure and corporate governance

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

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

The Board sets governance level policies, establishes the strategic direction, vision, values and organisation-wide goals and objectives. The Board is responsible for all functions undertaken by Mallee CMA and consists of up to nine (voting) members appointed by the Minister.

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

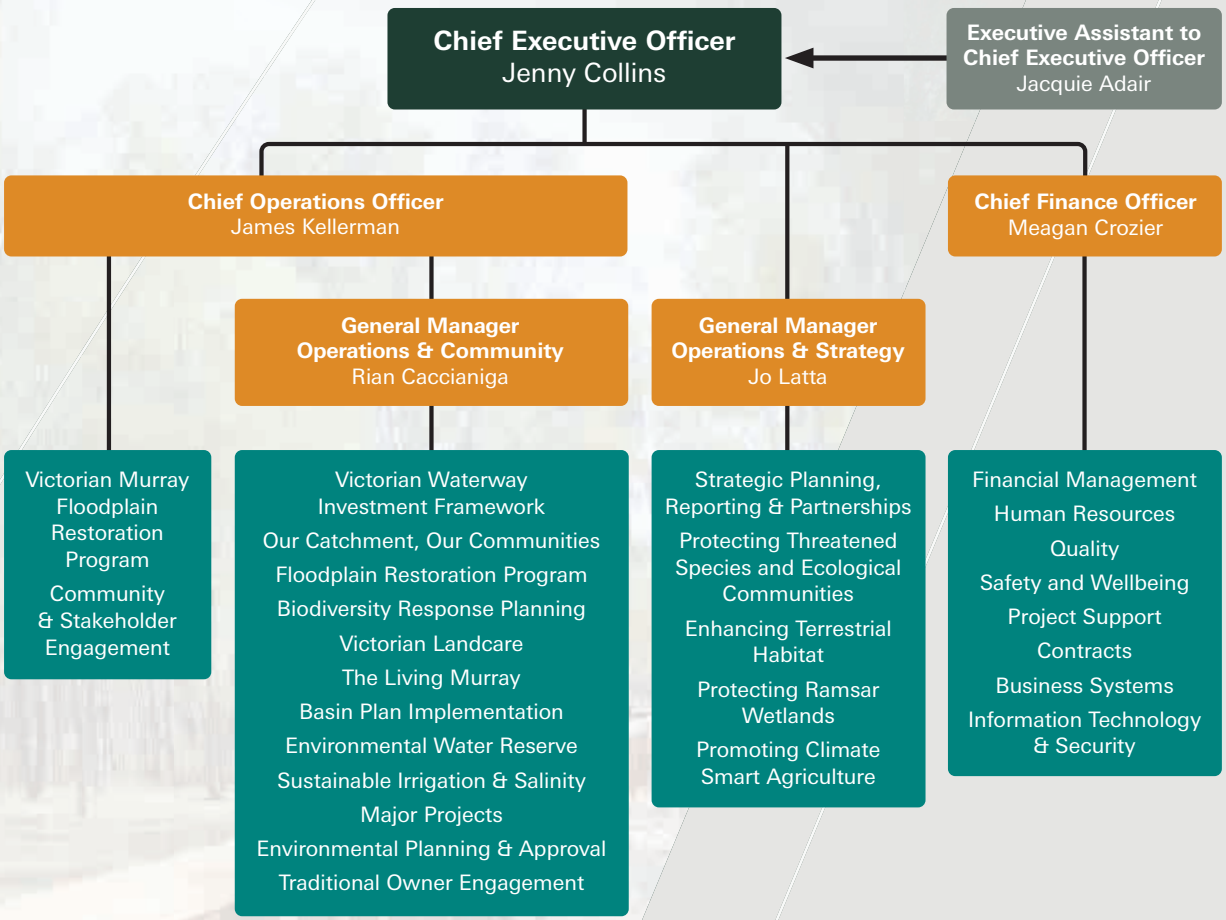


Figure 4 | Mallee CMA organisational structure 2025–26

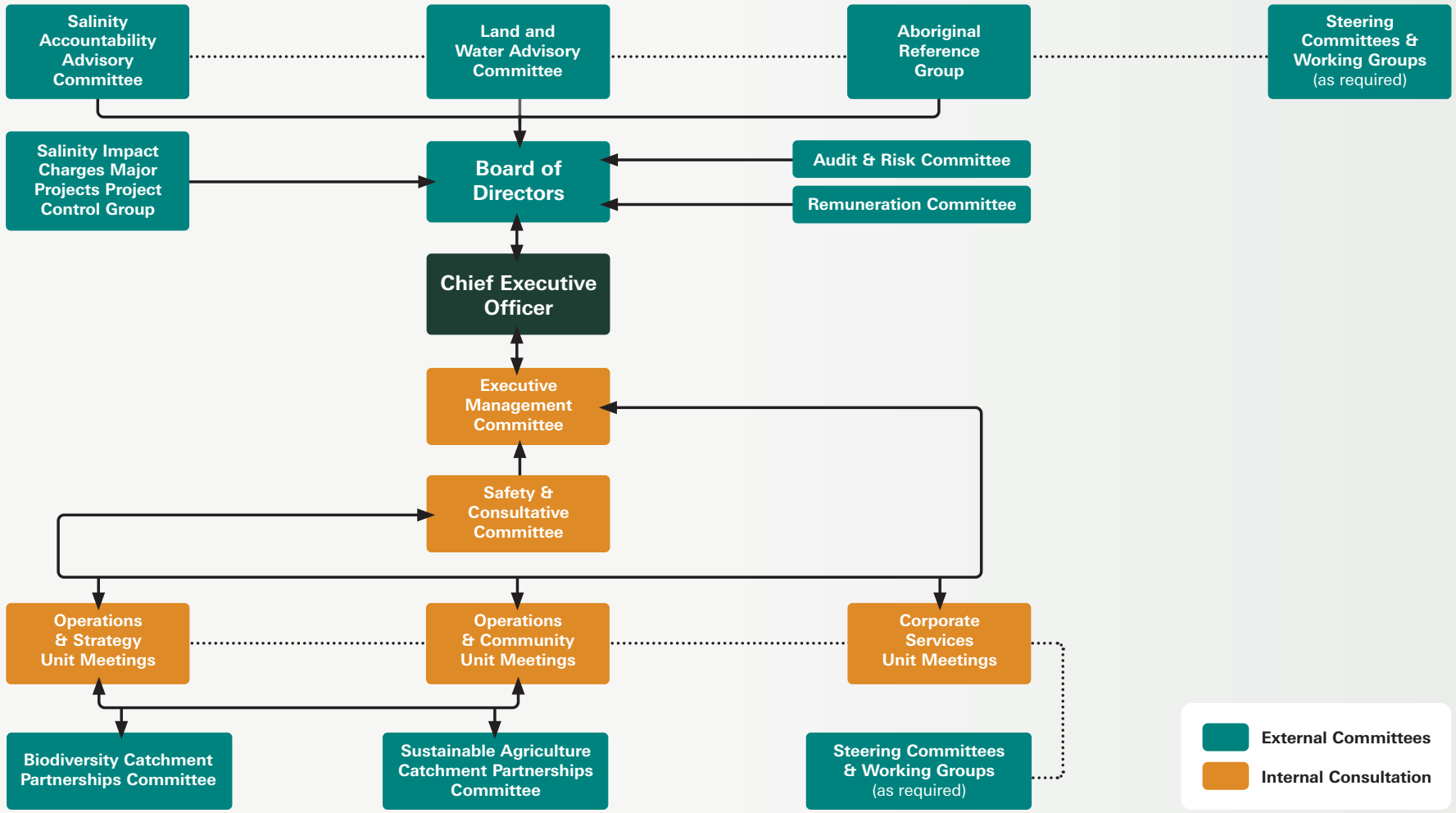


Figure 5 | Mallee CMA organisational and governance structure 2025–26

Governing Board

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

Governing Board Members

Narelle Heard - Chair

Narelle is passionate about the land, having been born and bred on a dryland farm south-west of Horsham in the Wimmera, where she also operated a farming business for many years.

Narelle is an experienced Chief Financial Officer and Company Secretary with 14 years of board-level experience. She has a strong background in governance, strategy, financial, audit and risk management, investment, and project management with particular experience in the agricultural, land, water, and resource industries.

Narelle is a Certified Practising Accountant (CPA) with a Bachelor of Commerce in Accounting and Finance and is a graduate of the Australian Institute of Company Directors (AICD) Course. She is a member of the Australian Society of Certified Practising Accountants, the Australian Institute of Company Directors, and Board Direction.

During the reporting period, Narelle represented the Mallee CMA Board as:
- Chair – Mallee CMA Board
- Chair – Remuneration Committee
- Member – Salinity Impact Charges Major Projects Project Control Group

Narelle was a Board member during the reporting year, with her current term of appointment being from 01 October 2025 to 30 September 2029.

Janice Kelly - Deputy Chair

Janice has over 30 years of experience as a primary producer and 35 years' as a practicing Chartered Accountant. Janice is an experienced Finance and Corporate Services Manager and has completed the Australian Institute of Company Directors course.

Janice is a company director and is currently Chair of Swan Hill District Health.

During the reporting period, Janice represented the Mallee CMA Board as:
- Deputy Chair - Mallee CMA Board
- Chair - Audit and Risk Committee
- Member - Remuneration Committee

Janice was a Board member during the reporting year, with her current term of appointment being from 01 October 2023 to 30 September 2027.

Governing Board Members

Andrew Charles

Andy Charles is a proud Yorta Yorta/Wemba Wemba man highly committed to true Aboriginal Self-Determination and achieving positive outcomes across regional community networks. Appointed to the Mallee Catchment Management Authority (MCMA) Board as a Non-Executive Director in October 2025, Andy previously served the organisation as an Independent Aboriginal Board Delegate from June 2024 to September 2025, embedding critical Aboriginal values and perspectives into environmental, land, and water management.

Andy brings a wealth of senior executive and governance experience within the human services and Aboriginal Community Controlled sectors.

His broader regional leadership includes serving as Executive General Manager of Child and Family Services (VIC/NSW) at Mallee Family Care and Executive Chair of the Mallee Child and Family Services Alliance.

During the reporting period, Andy represented the Mallee CMA Board as:
- Member - Audit and Risk Committee
- Member - Aboriginal Reference Group

Andy was a Board member during the reporting year, with his current term of appointment being from 01 October 2025 to 30 September 2029.

Ann Hodge

Ann brings more than 25 years of experience in primary production, with a strong focus on dairy management and industry development. She maintains a keen interest in water policy, environmental stewardship, and regional growth opportunities.

Ann serves as Secretary of the Barham based Western Murray Land Improvement Group, an organisation dedicated to agricultural research, development and extension; industry diversification; Landcare initiatives; environmental services; and environmental markets.

During the reporting period, Ann represented the Mallee CMA Board as:
- Member - Audit and Risk Committee
- Member - Salinity Accountability Advisory Committee

Ann was a Board member during the reporting year, with her current term of appointment being from 01 October 2025 to 30 September 2029.

Kym McIntosh

Kym McIntosh grew up in north central Victoria on a mixed cattle sheep and cropping farm and now owns a small dryland farm near Kerang raising Angus cattle.

Kim holds a Bachelor of Recreation and has worked in community leisure and in state government roles with Sport and Recreation Victoria, and Services Australia in project management/disability services. Kym undertook further studies to obtain a graduate certificate in Natural Resource Management through Deakin University.

Kim is an active member of her local Enhancing Northern Waterways Advisory Group where she is able to follow her passion of protecting and enhancing waterways and the environment.

During the reporting period, Kym represented the Mallee CMA Board as:
- Member - Audit and Risk Committee
- Member - Land and Water Advisory Committee

Kym was a Board member during the reporting year, with her current term of appointment being from 01 October 2025 to 30 September 2029.

Robert Matthews

Robert has been involved in dryland wheat and sheep farming at Meringur in North Western Victoria.

After 13 years in the Commonwealth public service working in employment counselling, Robert returned to full-time farming in 1998.

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

During the reporting period, Robert represented the Mallee CMA Board as:

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

Robert was a Board member during the reporting year, with his current term of appointment being from 01 October 2025 to 30 September 2027.

Ruwan Jayasinghe

Ruwan is a chartered professional civil engineer and a fellow of the Institution of Engineers Australia. He has worked extensively in floodplain management, asset management, and facilitated the delivery of multi-million-dollar capital works programs and flood overlay planning scheme amendments. Ruwan currently works for the City of Stonnington in a leadership role in asset management.

Prior to 2022, Ruwan worked with all Catchment Management Authorities as a member of the Victorian Floodplain Manager's Forum for three years. One key function of this forum is sharing knowledge in flood management for the common good of all Victorians.

Ruwan also worked for Melbourne Water in various technical and leadership roles for 26 years. During this period Ruwan engaged constructively with many organisations and communities to facilitate positive outcomes across Victoria.

During the reporting period, Ruwan represented the Mallee CMA Board as:

- Member – Salinity Accountability Advisory Committee
- Member – Remuneration Committee

Ruwan was a Board member during the reporting year, with his current term of appointment being from 01 October 2023 to 30 September 2027.

Gregory Lewis

Having grown up on a family farm near the Welsh border of England, Greg moved to Australia in 2012 and made this move permanent in 2014. Greg has since been employed by Olam Orchards Australia growing almonds throughout the Sunraysia region and is currently in the role of Operations Analyst, based at the Carwarp Processing Facility.

Greg has a BSc (Hons) in Sports and Exercise Science from Cardiff Metropolitan University in the UK and a Graduate Certificate in Agribusiness from Marcus Oldham College.

Greg brings knowledge of agriculture and particularly irrigated horticulture, combined with his analytical skills and a keen interest in sports and recreation.

During the reporting period, Greg represented the Mallee CMA Board as:

- Associate Board Member (ABM)

Greg was an ABM during the reporting year, his term of appointment being from 03 June 2025 to 30 June 2026.

Table 18 | Board membership, terms, and meeting attendance 2025–26

Board Member	Appointed	Appointment review	Attended	Eligible to attend
Narelle Heard (Chair)*	01 October 2025	30 September 2029	7	7
Andy Charles**	01 October 2025	30 September 2029	6	7
Ann Hodge***	01 October 2025	30 September 2029	9	9
Janice Kelly	01 October 2023	30 September 2027	8	9
Kym McIntosh***	01 October 2025	30 September 2029	7	9
Robert Matthews***	01 October 2025	30 September 2027	9	9
Ruwan Jayasinghe	01 October 2023	30 September 2027	7	9
Allison McTaggart	01 October 2021	30 September 2025	1	2
Kellie Nulty	01 October 2023	30 September 2025	2	2
Tony Alessi	01 October 2021	30 September 2025	2	2
Non-voting members: Independent Aboriginal Delegate (IAD) / Associate Board Member (ABM)				
Gregory Lewis (ABM)	03 June 2025	30 June 2026	8	9
Andy Charles (IAD)	03 June 2025	30 September 2025	1	2

* New appointment ** New appointment (previously MCMA appointed Independent Aboriginal Delegate) ***Re-appointment

Table 19 | Audit and Risk Committee membership, terms, and attendance 2025–26

Member	Appointed	Appointment review	Attended	Eligible to attend
Janice Kelly (Chair)	19 October 2024	30 September 2026	8	9
Ann Hodge	19 October 2024	30 September 2026	9	9
Kym McIntosh	22 October 2025	30 September 2026	6	6
Andy Charles	22 October 2025	30 September 2026	6	6
Kellie Nulty	19 October 2024	30 September 2025	2	2
Tony Alessi	19 October 2024	30 September 2025	2	2

Audit and Risk Committee membership and roles

The members of the Audit and Risk Committee (ARC) in 2025–26 is detailed in Table 19. All members have been determined as independent.

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

- review and report independently to the board on the annual report and all other financial information published by Mallee CMA
- assist the board in reviewing the effectiveness of Mallee CMA's internal control environment covering effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and regulations
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors
- maintain effective communication with external auditors, consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised
- oversee the effective operation of the risk management framework.

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

Meetings are typically scheduled monthly and at any other time at the request of a committee member or the internal or external auditor. In 2025–26 the committee met nine times. Attendance of committee members is detailed in Table 19.

Board Committees

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

Remuneration Committee

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

The Remuneration Committee:
- Aims to improve the performance of the CEO and Board, strengthening the efficiency, effectiveness, and capability of the public sector to meet existing and emerging needs and deliver high-quality services and maintain and advocate for public sector professionalism and integrity
- Takes a risk mitigation approach and establishes formal processes to address succession risk management (specifically vacancy, readiness, and transition risk).

The Remuneration Committee manages the employment cycle of the CEO by:
- Encompassing the full employment cycle from advertising to contract negotiation, employee performance management, and end of tenure
- Succession planning for the role.

The Remuneration Committee achieves this by providing the following services on behalf of the Board:
- Ensuring reporting disclosures related to remuneration meet the Board's disclosure objectives and all relevant legal requirements
- Coordinating the Annual Board Assessment in accordance with DEECA Guidelines
- Ensuring procedures for agendas, decision items, and reporting to the Board are adhered to.

Salinity Accountability Advisory Committee

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

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

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

The SAAC met four times during the 2025–26 reporting period.

The appointed Board representatives on the SAAC for the reporting period were:
- Ann Hodge
- Robert Matthews
- Ruwan Jayasinghe

Table 20 | Remuneration Committee membership 2025–26

Member	Appointed	Appointment review
Narelle Heard (Chair), Board Chair	22 October 2025	30 September 2026
Janice Kelly	23 October 2024	30 September 2026
Ruwan Jayasinghe	22 October 2025	30 September 2026
Allison McTaggart	23 October 2024	30 September 2025
Kellie Nulty	23 October 2024	30 September 2025

Table 21 | Salinity Accountability Advisory Committee membership 2025–26

Member	Organisation	Appointed	Appointment review
James Kellerman (Chair)	Mallee CMA	25 October 2023	30 September 2026
Ann Hodge	Mallee CMA Board Member	23 October 2023	30 September 2026
Kaleb Sexton	Lower Murray Water	NA	NA
Samira Akhavan	DEECA	NA	NA
Mark Potter	Goulburn Murray Water	NA	NA
Peter Jones	Community member	30 June 2024	30 June 2027
Robert Matthews	Mallee CMA Board Member	23 October 2023	30 September 2026
Ruwan Jayasinghe	Mallee CMA Board Member	23 October 2023	30 September 2026
Kim Trigg	Community member	23 October 2024	30 June 2027

Salinity Impact Charges Major Projects Project Control Group

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

The SIC Major Projects Project Control Group (PCG) is a skills-based group responsible for the oversight and delivery of approvals, and the design and delivery of the SIC Major Projects. The SIC Major Projects PCG achieves this by providing the following services on behalf of the Board:

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

The SIC Major Projects PCG provides recommendations to the Board on matters relating to the approval of all Major Projects, in accordance with Mallee CMA procurement policy and procedures.

The SIC Major Projects PCG did not meet during the 2025–26 reporting period.

Land and Water Advisory Committee

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

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

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

The LWAC met four times during the 2025–26 reporting period.

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

- Kym McIntosh to October 2025
- Tony Alessi to October 2025
- Robert Matthews from October 2025

Aboriginal Reference Group

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

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

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

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

The ARG met three times during the 2025–26 reporting period. At least one Board member attends ARG meetings.

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

- Allison McTaggart to October 2025
- Andrew Charles from October 2025

Table 22 | SIC Major Projects PCG membership 2025–26

Member	Position/Role
James Kellerman (Chair)	Chief Operations Officer, Mallee CMA
Narelle Heard	Board Chair, Mallee CMA
Melinda Knapp	Executive Director Catchments and Communities, DEECA
Campbell Fitzpatrick	Independent Member
Jenny Collins	Chief Executive Officer, Mallee CMA

Table 23 | LWAC membership 2025–26

Member	Appointment review
Jo Latta (Chair)	NA
Robert Matthews	28 October 2026
Andrew Hudson	30 June 2026
Annette Lambert	30 June 2027
Brian Ebery	30 June 2026
Christiane Jaeger	30 June 2027
Fiona Willersdorf	30 June 2027
Kim Trigg	30 June 2026
Marissa Shean	30 June 2027
Robert Biggs	30 June 2027
Kym McIntosh	22 October 2025
Tony Alessi	22 October 2025

Table 24 | ARG membership 2025–26

Member	Appointment review
Allison McTaggart (Board Chair)	22 October 2025
Andrew Charles (Board member)	30 September 2026
Charlene Davis (Chair)	30 June 2027
Ken Stewart	30 June 2027
Rose Kirby	30 June 2026
Barengi Gadjin Land Council Aboriginal Corporation	Ongoing
First People of Millewa Mallee Aboriginal Corporation	Ongoing



PART 3
WORKFORCE DATA





Public Sector Values and Employment Principles

The Public Administration Act 2004 establishes values to guide conduct and performance in the Victorian Public Sector. The Victorian Public Sector Commission's (VPSC's) role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

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

To ensure public sector values (Figure 1 on page 8) are embedded within the workplace, Mallee CMA's policies and practices are consistent with VPSC's employment and conduct principles and provide for fair treatment, career opportunities and the early resolution of workplace issues. Mallee CMA advises its employees on how to manage conflicts of interest, how to respond to offers of gifts, benefits, and/or hospitality and how the organisation responds to misconduct.

Occupational Health, Safety and Wellbeing

Mallee CMA is committed to the effective management of occupational health, safety, and wellbeing (OHSW), which ranks equally with all other operational considerations. It is the aim of Mallee CMA to minimise the risk of injury and illness to our employees, workplace participants, and the public by adopting a planned and systematic approach to the management of workplace health and safety. This includes providing the resources for successful management, implementation, and continuous improvement.

Training

Throughout 2025–26 Mallee CMA provided training to enhance employee OHSW skills and competency in the following areas:

- Health and Safety Representative (HSR) training
- Certificate II in First Aid and annual CPR refresher training
- Remote First Aid training
- Psychosocial Health training, including Mental Health First Aid
- Hazard identification and risk control
- Root cause analysis training
- Snake and Wildlife awareness training
- CFA Bushfire Safety for workers
- 4WD and Defensive driver training

- Site Emergency Warden training
- Safety in the Construction Industry (White Card)
- Dam Safety inspection training
- Conflict and Harassment training.

Internal OHSW training is completed via the Human Resource Information System (HRIS) development module. Reminders for refresher training are automatically generated by the system, ensuring training is up to date and easily monitored.

Incident Management

Safety related occurrences across the Mallee CMA are reported under the categories of hazard and incident and reported to various Mallee CMA committees. Incidents of all types are grouped to give an overall total, while injuries are noted for reporting purposes only.

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

Mallee CMA recognises the importance of incident reporting and supports continuous improvement through its commitment to retaining ISO 9001 certification for the QMS.

Mallee CMA had zero notifiable incidents during the reporting period. Notifiable incidents are those which must be reported to WorkSafe in accordance with s37 of the *Occupational Health and Safety Act 2004*, (Vic.).

OHS Reporting 2021–2025

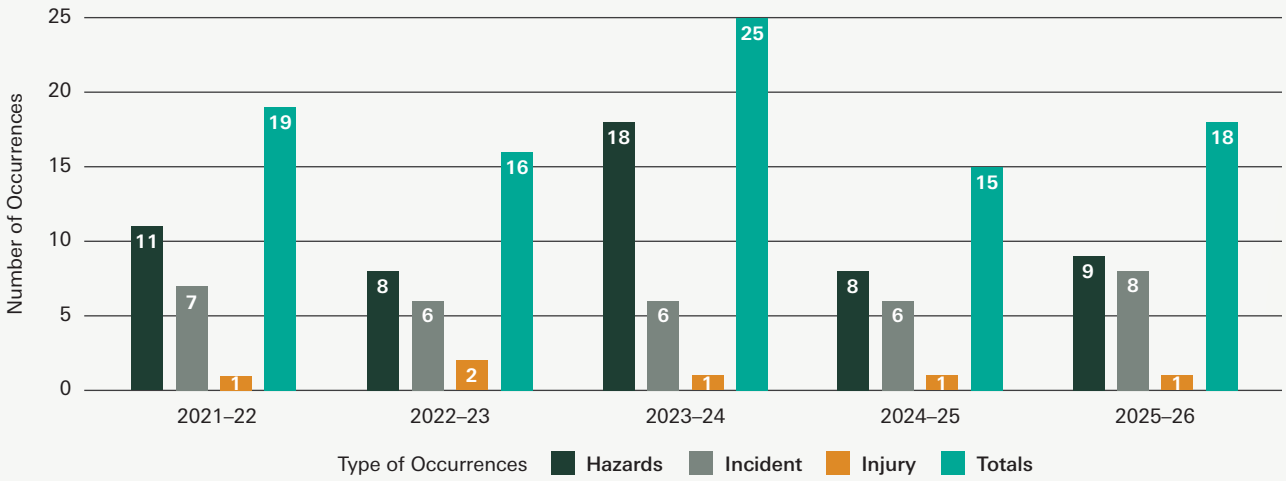






Table 25 | Performance against OHS management measures

Measures	Key Performance Indicators	2023–24	2024–25	2025–26
Incidents	Number of incidents (rate per 100 FTE)	12.7	15.2	16.24
Claims	Number of claims (rate per 100 FTE)	0	1	0
	Number of lost time claims (rate per 100 FTE)	0	1	0
	Number of claims exceeding 13 weeks (rate per 100 FTE)	0	0	0
Fatalities	Fatality claims	Nil	Nil	Nil
Claim costs	Average cost per standard claim	$0	$2,982.38	0
Return to work	Percentage of claims with return to work plans <30 days	Nil	1	0
Management commitment	Evidence of OHS policy statement, OHS objectives, regular reporting to senior management of OH&S, and OHS plans (signed by CEO or equivalent)	Completed	Completed	Completed
	Evidence of OHS criteria(s) in purchasing guidelines (including goods, services, and personnel).	Completed	Completed	Completed
Consultation and participation	Evidence of agreed structure of designated workgroups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs).	Completed	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs, and IRPs	100%	100%	100%
Risk management	Percentage of internal audits/inspections conducted as planned.	100%	100%	100%
	No. of Improvement Notices issued across the Department by WorkSafe Inspector	Nil	Nil	Nil
	Percentage of issues identified actioned arising from:			
	Internal audits	100%	100%	100%
	HSR provisional improvement notices (PINs)	Nil	Nil	Nil
	Worksafe notices	Nil	Nil	Nil
	Percentage of managers and employees that have received OH&S training:			
	Induction	100%	100%	100%
	Management training	100%	100%	100%
	Contractors, temporary workers, and visitors	100%	100%	100%
	Percentage of HSRs trained:			
	Acceptance of role	100%	100%	100%
	Re-training or refresher training	100%	100%	100%
	Reporting of incidents and injuries	100%	100%	100%

Workforce Data

Table 26 discloses the headcount and full-time employee equivalent (FTE) of all active public service employees of Mallee CMA, employed in the last full pay period in June of the current reporting period (2026), and in the last full pay period in June of the previous reporting period (2025).

All employees have been correctly classified in workforce data collection.

Table 26 | Details of employment levels in the last full pay period in June 2026 and 2025

	June 2025						June 2026					
	All Employees		Ongoing [ii]		Fixed term & Casual		All Employees		Ongoing [ii]		Fixed term & Casual	
	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE	Head count	FTE
Gender												
Men	19	17.78	11	10.70	8	7.08	17	16.1	13	12.6	4	3.5
Women	38	33.17	28	24.01	10	9.16	36	32.15	31	27.35	5	4.8
Self-described	1	0.59	0	0	1	0.59	0	0	0	0	0	0
Prefer not to respond	0	0	0	0	0	0	1	1	1	1	0	0
Age												
15–24	3	2.22	0	0	3	2.22	1	1	0	0	1	1
25–34	17	15.59	11	10	6	5.59	14	13.17	13	12.37	1	0.8
35–44	11	8.60	9	6.60	2	2	17	14.6	15	12.6	2	2
45–54	11	10.91	8	7.91	3	3	9	8.38	7	6.88	2	1.5
55–64	10	9.77	7	7	3	2.77	9	9	6	6	3	3
65+	6	4.45	4	3.2	2	1.25	4	3.1	4	3.1	0	0
Classification												
CEO	1	1	0	0	1	1	1	1	0	0	1	1
General Managers	4	4	2	2	2	2	4	4	2	2	2	2
Managers	10	9.51	7	6.51	3	3	6	4.98	5	3.98	1	1
Project/Support Staff	43	37.03	30	26.20	13	10.83	43	39.27	38	34.97	5	4.3
Total	**58**	**51.54**	**39**	**34.71**	**19**	**16.83**	**54**	**49.25**	**45**	**40.95**	**9**	**8.3**

'n' denotes that no data has been collected

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

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



Workforce Inclusion Policy

As a reflection of community diversity, Mallee CMA is working towards creating a diverse workforce and a culture of inclusion in all areas of our business by valuing social and professional identity, alternative thoughts, backgrounds, experiences, uniqueness and creativity.

Diversity and Inclusion Plan initiatives are delivered against relevant strategies and plans, including Gender Equality, Social Procurement, Innovate Reconciliation, Engagement, People Matter Survey and Psychosocial Management. Through these initiatives we will continue to develop a collaborative culture that is inclusive of different points of view, actively removes barriers to participation and fosters a cultural environment where everyone feels safe to express who they are.

Mallee CMA is working towards improving cultural awareness and sensitivity, fostering respect, and reducing cultural misunderstandings for a more inclusive work environment. The Diversity and Inclusion Plan has a target of increasing the percentage of its employees and Board members who undertake training through the Centre for Cultural Competency Australia to 100%. The following table outlines Mallee CMA's actual progress against this target in 2024–25 and 2025–26.

In 2025–26 two new employees (4%) commenced the training in May 2026 and are on track for completion in August 2026.

Table 27 | Progress against Diversity and Inclusion policy initiative

Diversity and Inclusion policy initiative	Target	2024–25	2025–26
Provide regular training and support to Board members and employees to promote a strong understanding of, and support for, diversity and inclusion in the workplace	100% completion of accredited cultural and diversity training of Board members and employees	100%	96%

PART 4
OTHER DISCLOSURES





Expenditure of funds within the Mallee Salinity Investment Plan 2025–26

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

The charge is collected from WUL holders by the Minister's delegate, Lower Murray Water (LMW). The charge is transferred annually to Mallee CMA, less the portion required to meet LMW's costs and expenses. Mallee CMA must hold and apply the funds consistent with the direction, function and powers delegated to it by the Minister.

Salinity levies received by Mallee CMA in 2025–26 totalled $3,415,184.

Total expenditure in 2025–26 within the Mallee Salinity Investment Plan was $3,600,192 with the following projects being delivered.

Managing statutory responsibilities through the implementation of a governance framework to deliver regional monitoring and reporting obligations under the *Water Act 1989* and *Catchment and Land Protection Act 1994* as delegated to the Mallee CMA, and to support the functions of the Salinity Accountability Advisory Committee (SAAC). Implementing actions in accordance with the Victorian Mallee Irrigation Region Land and Water Management Plan 2020–29 ($804,059).

No expressions of interest for on-ground works and investigations to generate additional salinity credits for Victoria were received in the 2025–26 financial year ($0).

The Mallee On-farm Irrigation Incentives Program, which focuses on assisting irrigators in the upgrade and management of on-farm infrastructure to improve water-use efficiency resulting in salinity benefits. For the 2025–26 financial year, a review of the incentives program was initiated ($6,161).

Four major projects listed on the Annual Salinity Major Works Program important to offsetting salinity impacts of irrigation on the Murray River were implemented during 2025–26. These included:

- Field investigations to establish the hydrological processes in floodplains receiving floodwaters were carried out in three Murray River floodplain regions namely Merbein Common, Burra-Vinifera and Boundary Bend-Kenley. The investigation included the interaction between surface floodwater and groundwater, and nuclear techniques to identify sources of groundwater including irrigation water, groundwater and surface water salinity and evapotranspiration. Following on from 2024–25, the two-year program investigated eight floodplain regions in total along the Murray River from Nyah to South Australian Border ($577,039).

- A three-dimensional hydrodynamic model was developed to assess options for improving the flushing of Psyche Lagoon. Option one was to lower the culvert under the road (which is the highest point between the regulator and the lagoon), and Option two was to pump water into the deeper parts of the lagoon to enhance mixing during a flushing event ($266,989).

- Airborne Electromagnetic (AEM) Survey progressed during 2025–26, with continued processing and interpretation of the SkyTEM and RESOLVE datasets. Activities included quality assurance and noise removal from the SkyTEM data, preliminary and targeted inversion modelling by CSIRO and review of inversion methodologies and outputs. Additional field investigations, including downhole geophysical logging and installation of new monitoring bores were undertaken to support calibration and interpretation of the AEM data. These activities will improve understanding of groundwater systems and salinity processes across the Mallee irrigation region and provide a stronger basis for future salinity management and monitoring ($513,833).

- i-FARM, revegetation works were undertaken to improve biodiversity outcomes within irrigated landscapes in Hattah-Kulkyne National Park, and Annuello Flora and Fauna Reserve. Seven corridors with an approximate area of 12ha were revegetated and 8,500 seedlings were propagated for the revegetation program. Historic salinity management data such as Irrigation Drainage Plans, soil surveys and other documents were digitised and provided to LMW for preservation. These documents contain valuable information for enabling farm managers to optimise watering efficiency and are costly to reproduce ($276,365).

Three salinity research projects were undertaken in 2025–26 ($484,258):

- Hydrological investigations, and water and salt balance investigations were carried out in three irrigation drainage disposal basins (IDDP) (Colignan South, Forbes and Yatpool). This followed on from five IDDBs (Woorlong Wetlands, Doerings Basin, Karadoc Swamp, Red Cliffs South-East Basin and Lake Iraak) investigated in 2024–25. Potential landscape impact of these IDDPs were discussed with communities living close to these basins, Traditional Owner and stakeholders including LMW and Mildura Rural City Council.

- An analytical model was developed to represent interactions between characteristic components of the landscape processes such as the crop root zone, perched water table and deep drainage influencing the regional groundwater system. The Model was tested for groundwater responses in Merbein, Colignan and Boundary Bend irrigation areas.

- The Seasonal AUL adjustment procedure was reviewed in 2025–26 to refine the factors that determine the quantum of seasonal adjustment on water requirement for irrigation in a season with high temperatures and low rainfall. The factors that have been reviewed include Factor A (the reference evapotranspiration (ETo) factor), Factor B (the ETo adjustment factor) and Factor C (the effective rainfall factor).

Annual data collection from Mallee groundwater observation bores and irrigation drainage monitoring stations supported and refined salinity impact assessments that generated salinity credits and debits for the region. This project involved the collection and management of groundwater level and salinity data at 434 monitoring bores on a quarterly, six monthly, or annual basis. Salinity and flow data from 28 irrigation drainage outfall sites and three river sites was also collected and managed. The data informs salinity impact models and reviews of specific accountable actions within the region ($350,000).

A range of activities and material were completed as part of communication and engagement activities ($256,199) including:

- Challenges and opportunities for irrigation development and salinity management in the Mallee region was provided and discussed at the Sustainable Irrigation Program forums and Victorian Salt Disposal Working Group.

- Irrigator's shed meetings in Koorlong, Nangiloc, Boundary Bend, Lindsay Point and Robinvale, providing presentations on irrigation incentives, land and water management options, seasonal water availability and Murray River flows. Over 65 irrigators and 14 agency partner representatives attended these meetings.

Refining salinity management policy by reviewing current standard and non-standard conditions on WULs applicable to Mallee region ($65,289).

The balance of funds on 30 June 2026 was $32,778,209. These funds are segregated for operational and capital expenditure for the purpose of mitigating or offsetting the salinity impact of irrigation in the Victorian Mallee and to maintain the region's compliance with state and federal requirements.

Local Jobs First

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

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

Projects Commenced – Local Jobs First Standard
One Local Jobs First Standard project was commenced during 2025–26.

Projects Completed – Local Jobs First Standard
NIL Local Jobs First Standard projects were completed during 2025–26.

Reporting requirements – all projects
Mallee CMA has NIL contracts prior to 15 August 2018 for which a VIPP Plan or Local Industry Development Plan was required.

Reporting requirements – grants
No grants were provided during 2025–26, requiring NIL conversations with the Industry Capability Network (Victoria) Ltd.

Government advertising expenditure

Mallee CMA's government campaign expenditure in the 2025–26 reporting period did not exceed $100,000.

Consultancy expenditure

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

In 2025–26, there were 42 consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2025–26 in relation to these consultancies was $5,231,912.00 (excl. GST).

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



Environmental water delivery.

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

In 2025–26, there were 24 consultancies engaged during the year where the total fees payable to the consultants were less than $10,000. The total expenditure incurred during 2025–26 in relation to these consultancies was $181,634.00 (excl. GST).

For this reporting requirement the following definitions are applied:

- a consultant is a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through:
  - provision of expert analysis and advice
  - development of a written report or other intellectual output.
- a contractor is an individual or organisation that is formally engaged to provide works or services for or on behalf of an entity. This definition does not apply to casual, fixed term or temporary employees directly employed by the entity.

Reviews and studies expenditure

In 2025–26, there were three reviews and studies undertaken which were not commercially sensitive with a total estimated cost of $900,800. Details of individual reviews and studies are outlined in Table 28 below.

Major reviews and studies have been defined as those that met all the following criteria:

- completed as a deliverable output
- conducted by an external provider and exceeded $100,000 (exclusive of GST)
- approved by the Board, CEO or a senior executive
- resulted in a published report.

Table 28 | Reviews and studies expenditure 2025–26

Name of review	Reason for review /study	Scope	Anticipated outcomes	Estimated cost*	Final cost*	Publicly available Y/N & URL
The Living Murray (TLM) Condition monitoring - Hattah	Measure ecological condition of Hattah Lakes	Completion of condition monitoring tree demography, tree condition, wetland understorey, floodplain understorey, lignum, fish and waterbird surveys at Hattah Lakes icon site, and associated data analysis	Updated condition results and trend analysis	$297,000	$294,080	Y
TLM Condition monitoring - Lindsay Mulcra Wallpolla (LMW)	Measure ecological condition of LMW	Completion of condition monitoring tree demography, tree condition, wetland understorey, floodplain understorey, lignum, fish and waterbird surveys at LMW icon site, and associated data analysis	Updated condition results and trend analysis	$338,000	$334,620	Y
The Living Murray (TLM) Condition monitoring - additional work	Additional fieldwork and management plan writing	Additional work to support TLM condition monitoring, including additional fieldwork and analysis. Large bodied fish project. Revision of condition monitoring plans for both Icon sites.		$205,500	$203,445	Y

* Excluding GST

Information and Communication Technology (ICT) expenditure

For the 2025–26 reporting period, Mallee CMA had a total ICT expenditure of $783,426 as detailed in Table 29.

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

Non-BAU ICT expenditure relates to extending or enhancing Mallee CMA's current ICT capabilities. BAU ICT expenditure includes all remaining ICT expenditure and typically relates to ongoing activities to operate and maintain the current ICT capability.

Major contracts

Mallee CMA did not enter into any major contracts during 2025–26.

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

Freedom of information

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

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

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

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

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

Making a request

FOI requests for information can be lodged online at https://ovic.vic.gov.au. An application fee of $34.50 applies. Access charges may also be payable if the document pool is large, and the search for material, time consuming.

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

When making a FOI request, and to ensure it is a valid request, applicants should apply in writing, clearly identifying what types of material/documents are being sought and be accompanied by the application fee.

Requests for documents in the possession of the Mallee CMA should be addressed to:
Freedom of Information Team
Mallee Catchment Management Authority
PO Box 5017, Mildura, Victoria 3502

Enquiries can be made to the department's FOI Unit via email at foi@malleecma.com.au.

Table 29 | ICT Expenditure 2025–26

All operational ICT expenditure	ICT expenditure relating to projects to create or enhance ICT capabilities		
Business As Usual (BAU) ICT expenditure	Non-BAU ICT expenditure (OPEX + CAPEX)	Operational expenditure (OPEX)	Capital expenditure (CAPEX)
$727,571	**$55,855**	**$55,855**	**0**

FOI statistics

During 2025–26, Mallee CMA received NIL applications.

Further information

Further information regarding the operation and scope of FOI can be obtained from the FOI Act; regulations made under the FOI Act; and Freedom of Information – Office of the Victorian Information Commissioner (https://ovic.vic.gov.au).

Building Act 1993

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

Competitive Neutrality Policy

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

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

Public Interest Disclosure Act 2012

The *Public Interest Disclosure Act 2012* (PID Act) enables people to make a disclosure about corrupt or improper conduct by a public officer or a public body. Mallee CMA does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Mallee CMA is a public body for the purposes of the PID Act.

What is a public interest disclosure?

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

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

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

How do I make a public interest disclosure?

You can make a public interest disclosure about Mallee CMA or its board members, officers, or employees by contacting IBAC.

Mallee CMA is not able to receive public interest disclosures.

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

Independent Broad-Based Anti-Corruption Commission (IBAC) Victoria
Address: Level 1, North Tower, 459 Collins Street, Melbourne Victoria 3000.
Mail: IBAC, GPO Box 24234, Melbourne Victoria 3001
Telephone: 1300 735 135
Internet: https://ibac.vic.gov.au
Email: A secure email disclosure process is available on IBAC's website.

Table 30 | Disclosures under the *Public Interest Disclosure Act 2012*

Disclosures under the Public Interest Disclosure Act 2012	2024–25	2025–26
The number of disclosures made by an individual to the Mallee CMA and notified to the Independent Broad-based Anti-corruption Commission.	0	0

Catchment and Land Protection Act 1994

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

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

CaLP Act responsibilities are set out on page 9 of this Annual Report. The Mallee CMA is compliant with these establishing Act requirements.

Emergency Procurement

In 2025–26 Mallee CMA Emergency Procurement was not activated, resulting in NIL spending for emergency procurements.

Social Procurement Framework

Mallee CMA is fully committed to supporting the government's directions under the Social Procurement Framework (SPF) and we recognise that we play a key role in advancing social and sustainable outcomes for Victorians.

Mallee CMA Social Procurement Strategy was reviewed in May 2025 providing a three-year strategic, agency-wide approach to how we will deliver social and sustainable outcomes through procurement in accordance with the Social Procurement Framework.

The Mallee CMA Strategy has prioritised four key SPF objectives:

- Opportunities for Victorian Aboriginal People
- Opportunities for Victorians with disability
- Women's equality and safety, and
- Opportunities for Victorian social enterprise and Aboriginal business enterprises.

Social Procurement Achievements

Mallee CMA's Social Procurement Strategy provides a framework for continuous capability development and implementation of social and sustainable outcomes in its procurement activities. During the 2025–26 reporting year, Mallee CMA continued to develop resources to ensure ongoing efficiency in our procurement processes, forms and communication.

In addressing prioritised objectives Mallee CMA has:

- Continued to support and engage Victorian Aboriginal businesses and those that employ Victorian Aboriginal Peoples.
- Engaged regionally Recognised Aboriginal Parties and Aboriginal Peoples in the development of Cultural Heritage Management Plan assessments.
- Continued to purchase products (native plants) and services (secure document destruction) from the Christie Centre to support and provide opportunities for people with a disability.

Table 31 | Achievements against SPF objectives and metrics (NOTE: $ exclude GST)

Objective prioritised	Outcomes sought	SPF Reporting metrics	2025–26
Opportunities for Victorian Aboriginal People	Purchasing from Victorian Aboriginal businesses	Number of Victorian Aboriginal businesses engaged	7
		Total expenditure with Victorian Aboriginal businesses	$1,399,346
Opportunities for Victorians with disability	Purchasing from Victorian social enterprises and Australian Disability Enterprises	Number of Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises engaged	5
		Total expenditure with Victorian social enterprises (led by a mission for people with disability) and Australian Disability Enterprises	$886,802
Women's Equality and Safety	Adoption of family violence leave by Victorian Government suppliers	Number of Victorian Government suppliers that have implemented family violence leave policy	9
	Gender equality within Victorian government suppliers	Number of Victorian Government suppliers that have a gender equality policy	21
Sustainable Victorian social enterprise and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian social enterprises engaged	2
		Total expenditure with Victorian social enterprises	$160,813

Procurement complaints

Under the Governance Policy of the Victorian Government Purchasing Board (VGPB), Mallee CMA must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system.

Mallee CMA did not receive any formal complaints through its procurement complaints management system in 2025–26.

Environmental Reporting

Office-based environmental impacts

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

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

Mallee CMA has been assessed as a Tier 4 entity under FRD 24 reporting requirements. Further information on office-based environmental impacts is presented in Table 32.

Transportation

Mallee CMA's fleet comprised of 16 vehicles as of 30 June 2026, a decrease of three vehicles in the reporting period. One van is used for community engagement activities, the remaining pool, passenger vehicles are designated for the provision of NRM activities across the Mallee CMA region.

Fuel usage increased slightly compared to the previous year, reflecting a moderate change in fleet composition, with a shift from petrol-powered vehicles to diesel-powered vehicles. Air travel also increased due to a higher level of activity in significant projects, requiring additional travel to support project delivery and stakeholder engagement.

Table 32 | Mallee CMA office-based environmental impacts

Outputs	Activity	2023–24 Actual	2024–25 Actual	2025–26 Actual
Energy use	Total energy usage segmented by primary source, including Green Power (mega joules)	*	*	*
	Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tonnes CO2-e)	*	*	*
	Percentage of electricity purchased as Green Power (%)	*	*	*
	Units of energy used per full time employee (megajoules per FTE)	*	*	*
	Units of energy used per unit of office area (megajoules per m^2)	*	*	*
Waste and recycling	Total units of office waste disposed of by destination (kilograms per year)	*	*	*
	Total units of office waste disposed of per FTE by destination (kilograms per FTE)	*	*	*
	Recycling rate (% of total waste by weight)	*	*	*
	Waste disposal - separation of office waste into 'classes' e.g. paper, recyclable plastics, rubbish	*	*	*
	Reduction and recycling of cartridges (through suppliers) and consumables containers (through site)	100%	100%	100%
	Re-use and/or recycling (recycled when replaced with new handsets) of mobile phones and unserviceable equipment Surplus or obsolete equipment sent to Waste Management Centre - Mildura Rural City Council 'Around Again' re-use facility or EWaste Contractor for site.	100%	100%	100%
Paper Use	Total units of A4 equivalent copy paper used (reams) Default printer settings to double-sided and save to user boxes for release, to reduce paper usage	114	80	91
	Units of A4 equivalent copy paper reams used per FTE	2.1	1.8	1.8
	Percentage of recycled content in copy paper purchased	100%	100%	100%

Continued...

Table 32 | Mallee CMA office-based environmental impacts *Continued...*

Outputs	Activity	2023–24 Actual	2024–25 Actual	2025–26 Actual
Water consumption	Total units of metered water consumed by water source (kilolitres)	*	*	*
	Units of metered water consumed in offices per FTE (kilolitres per FTE)	*	*	*
	Units of metered water used in offices per unit of office area (kilolitres per m^2)	*	*	*
Transport	Total energy consumption by vehicle fleet segmented by vehicle/fuel type (megajoules)	525,880 Diesel	664,905 Diesel	809,003 Diesel
		189,345 Unleaded	171,558 Unleaded	2,425 Unleaded
	Total vehicle travel associated with operations segmented by vehicle/fuel type (kilometres)	167,548 Diesel	196,708 Diesel	220,376 Diesel
		74,551 Unleaded	83,691 Unleaded	62,668 Unleaded
	Total distance travelled by air (kilometres)	117,852	66,570	86,900
Greenhouse gas emissions (tonnes CO2-e)	Total greenhouse gas emissions associated with vehicle fleet	54.32	64.09	52.87
	Total greenhouse gas emissions associated with air travel	16.81	12.00	17.20
	Total greenhouse gas emissions associated with energy use	*	*	*
	Total greenhouse gas emissions associated with waste disposal	*	*	*
	Greenhouse gas emissions offsets purchased	Nil	Nil	Nil
Procurement	The Mallee CMA Purchasing and Procurement Policy includes environmental procurement as an essential consideration. (Participation % of FTE) Employees are required to: - purchase goods and services that have reduced impacts on the environment. - consider environmental impacts and opportunities during the procurement process. Employees undertaking procurement consider where appropriate the inclusion of minimum environmental requirements in specifications. Environmental requirements can be defined in relation to performance standards, the impact of the good or service on the environment and/or in relation to supplier's environmental management practices. Mallee CMA policy also requires employees to undertake socially responsible procurement which includes the protection of the environment and the conservation of resources.	100%	100%	100%

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

Additional information available on request

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

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

The information is available on request from:

Freedom of Information Team
Mallee Catchment Management Authority
Phone: 03 5001 8600
Email: foi@malleecma.com.au

Additional information included in the annual report

Details in respect of the following items have been included in Mallee CMA's annual report, on the pages indicated below:

- assessments and measures undertaken to improve occupational health and safety of employees - page 67
- a list of the Mallee CMA's major committees, the purposes of each committee and the extent to which the purposes have been achieved – from page 59
- training undertaken to improve the occupational health and safety of employees – page 67
- details of Freedom of Information and associated fees – page 77

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

- details of shares held by senior officers (no shares have ever been issued in Mallee CMA)
- details of changes in prices, fees, charges, rates, and levies charged by the agency (Mallee CMA does not charge other than Freedom of Information applications)
- details of overseas visits undertaken (no board members or senior executives took overseas work-related trips).

Asset Management Accountability Framework

The Asset Management Accountability Framework is a mandatory framework for managing public assets in Victoria that seeks to ensure an organisation's implementation is both fit for purpose and achieves organisational objectives.

Mallee CMA undertook an independent review in 2023–24 as an assurance activity to measure and validate the level of asset maturity assessment of the organisation.





Financial Management Compliance Attestation Statement

Mallee Catchment Management Authority Financial Management Compliance Attestation Statement

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

Narelle W. Heard.

Narelle Heard
Board Chair
Mallee Catchment Management Authority

23 September 2026

PART 5

FINANCIAL STATEMENTS

For the year ended 30 June 2026





Declaration in the financial statements

The attached financial statements for the Mallee Catchment Management Authority (CMA) 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, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and financial position of Mallee CMA at 30 June 2026.

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 25 August 2026.

Narelle Heard
Chairperson
Mallee Catchment Management Authority

Jenny Collins
Chief Executive Officer
Mallee Catchment Management Authority

Meagan Crozier
Chief Finance Officer
Mallee Catchment Management Authority

Mallee Catchment Management Authority - Tier 2 model financial statements

How this report is structured

The Mallee Catchment Management Authority (CMA) has presented its audited general-purpose financial statements for the financial year ended 30 June 2026 in the following structure, to provide users with the information about Mallee CMA's stewardship of resources entrusted to it.

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Independent Auditor's Report

VAGO
Victorian Auditor-General's Office

To the Board of Mallee Catchment Management Authority

Opinion

I have audited the financial report of Mallee Catchment Management Authority (the authority) which comprises the:

- balance sheet as at 30 June 2026
- comprehensive operating statement for the year then ended
- cashflow statement for the year then ended
- statement of changes in equity for the year then ended
- notes to the financial statements, including material accounting policy information
- 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 2026 and its 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 Australian Accounting Standards - Simplified Disclosures.

Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards 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 (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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 is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures 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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

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 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 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 Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

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

T McPhd

MELBOURNE
2 September 2026

Timothy Maxfield
as delegate for the Auditor-General of Victoria

Mallee Catchment Management Authority
Comprehensive Operating Statement
For the financial year ended 30 June 2026

	Notes	$ 2026	$ 2025
Income from transactions			
Government contributions	2.2.1	40,762,123	17,791,265
Interest		2,448,024	2,185,839
Salinity levies	2.2.2	3,415,329	2,997,414
Other income		27,012	33,315
Total income from transactions		**46,652,488**	**23,007,833**
Expenses from transactions			
Employee expenses	3.1.1	6,686,065	6,232,858
Contractors - project based	3.1.3	8,543,959	5,184,372
Contractors - construction works	3.1.3	3,659,361	-
Consultancies - project based	3.1.3	5,350,822	5,568,129
Project operations and maintenance	3.4	2,288,640	1,010,586
Grants and incentives	3.2	1,029,815	1,145,385
Depreciation	4.1.2	271,144	292,704
Operating expenses	3.3	1,974,398	1,886,494
Total expenses from transactions		**29,804,204**	**21,320,528**
Net result from transactions (net operating balance)		**16,848,284**	**1,687,305**
Other economic flows included in net result			
Net gain on disposal of non-financial assets	8.2	73,046	156,440
Total other economic flows – included in net result		**73,046**	**156,440**
Comprehensive result		**16,921,330**	**1,843,745**

The accompanying notes form part of these financial statements.

Mallee Catchment Management Authority
Balance Sheet
As at 30 June 2026

	Notes	$ 2026	$ 2025
Assets			
Financial assets			
Cash and deposits	6.1	69,941,671	50,468,476
Receivables	5.1	2,763,756	2,199,639
Total financial assets		**72,705,427**	**52,668,115**
Non-financial assets			
Prepayments		350,840	185,633
Plant and equipment	4.1	425,820	680,556
Total non-financial assets		**776,660**	**866,189**
Total assets		**73,482,087**	**53,534,304**
Liabilities			
Payables	5.2	4,390,446	1,334,436
Employee related provisions	3.1.2	1,349,089	1,378,646
Total liabilities		**5,739,535**	**2,713,082**
Net assets		**67,742,552**	**50,821,222**
Equity			
Accumulated surplus		7,657,846	6,199,733
Reserves	8.3	55,987,371	40,524,154
Contributed capital		4,097,335	4,097,335
Net worth		**67,742,552**	**50,821,222**

Note:

The accompanying notes form part of these financial statements.

Mallee Catchment Management Authority
Cash Flow Statement
For the financial year ended 30 June 2026

	Notes	$ 2026	$ 2025
Cash flows from operating activities			
Receipts			
Receipts from government		40,977,081	17,606,864
Interest received		2,448,024	2,185,839
Goods and services tax received from the ATO [(a)]		1,502,364	872,352
Other receipts		3,442,340	3,030,730
Total receipts		**48,369,809**	**23,695,785**
Payments			
Payments to suppliers and employees		(28,953,252)	(21,577,456)
Total payments		**(28,953,252)**	**(21,577,456)**
Net cashflows from/(used in) operating activities		**19,416,557**	**2,118,329**
Cash flows from investing activities			
Purchases of non-financial assets		(57,200)	(244,218)
Proceeds from sale of non-financial assets		113,838	196,136
Net cashflows from/(used in) investing activities		**56,638**	**(48,082)**
Net increase/(decrease) in cash and cash equivalents		**19,473,195**	**2,070,247**
Cash and cash equivalents at the beginning of the financial year		50,468,476	48,398,229
Cash and cash equivalents at the end of the financial year	6.1	**69,941,671**	**50,468,476**

Notes:

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

The accompanying notes form part of these financial statements.

Mallee Catchment Management Authority
Statement of Changes in Equity
For the financial year ended 30 June 2026

	Notes	$ Reserves	$ Accumulated surplus	$ Contributed capital	$ Total
Balance at 1 July 2024		**40,997,895**	**3,882,247**	**4,097,335**	**48,977,477**
Net result for the year		-	1,843,745	-	1,843,745
Transfers to/(from) reserves		(473,741)	473,741	-	-
Balance at 30 June 2025		**40,524,154**	**6,199,733**	**4,097,335**	**50,821,222**
Net result for the year		-	16,921,330	-	16,921,330
Transfers to/(from) reserves	8.3	15,463,217	(15,463,217)	-	-
Balance at 30 June 2026		**55,987,371**	**7,657,846**	**4,097,335**	**67,742,552**

Note:

The accompanying notes form part of these financial statements.

Mallee Catchment Management Authority - Notes to the Financial Report
for the year ended 30 June 2026

1. ABOUT THIS REPORT

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

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

Its principal address is:
Agriculture Victoria Complex
308-390 Koorlong Avenue
Irymple, Victoria, 3498

Basis of preparation

These financial statements are Tier 2 general purpose financial statements prepared in accordance with *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060)* and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

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

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

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

Capital grants which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of distributions to or contributions by owners have also been designated as contributions by owners.

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

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

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

Compliance information

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

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

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

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

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

2.1 Summary of income that funds the delivery of our services

Significant Judgement: Grants Contributions

The Authority has determined that all grant income is recognised as income of not-for-profit entities in accordance with *AASB 1058 Income of Not-for-Profit Entities,* except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue in accordance with *AASB 15 Revenue from Contracts with Customers*.

	Notes	$ 2026	$ 2025
Government Contributions	2.2.1	40,762,123	17,791,265
Interest		2,448,024	2,185,839
Salinity Levies	2.2.2	3,415,329	2,997,415
Other Income		27,012	33,315
Total income that funds delivery of services		**46,652,488**	**23,007,834**

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

2.2 Income from transactions

2.2.1 Government contributions

	$ 2026	$ 2025
Grants recognised as income of not-for-profit entities (AASB 1058)		
State Government		
State Government Contributions	2,449,956	4,903,663
Integrated Water Management	180,000	330,000
Catchment Governance	698,000	638,000
Protecting Biodiversity Program	512,000	-
Sustainable Irrigation Program	536,000	493,000
Landcare Program	535,705	518,274
Environmental Water Program	778,000	759,000
Environmental Water Holder	651,869	953,461
Water Management Program	2,339,266	1,408,411
Our Catchment Our Communities	469,000	375,000
Total State Government contributions	**9,149,796**	**10,378,809**
Commonwealth Government		
Victorian Murray Floodplain Restoration Project	1,480,481	1,651,631
Commonwealth Contributions	637,607	642,051
Restoring Flows to Mallee Floodplains	24,700,000	-
The Living Murray	2,530,308	2,530,308
Natural Heritage Trust	668,413	647,694
Biodiversity Fund	-	522,500
Total Commonwealth Government contributions	**30,016,809**	**5,994,184**
Grants recognised as revenue from contract with customers (AASB 15)		
Commonwealth Government		
Natural Heritage Trust	1,595,518	1,418,272
Total Government contributions	**40,762,123**	**17,791,265**

Income recognised under AASB 1058

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

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

- contributions by owners, in accordance with *AASB 1004 Contributions*;
- revenue or a contract liability arising from a contract with a customer, in accordance with *AASB 15*;
- a lease liability in accordance with *AASB 16 Leases*;
- a financial instrument, in accordance with *AASB 9 Financial Instruments;* or
- a provision, in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*.

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

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations is satisfied but not yet billed, a contract asset is recorded. As this funding is generally invoiced in arrears of the work performed, the funding payments are normally received after the relevant obligation is satisfied.

2.2.2 Salinity Levies

	$	$
	2026	2025
Salinity Levies	3,415,329	2,997,415
Total salinity levies	**3,415,329**	**2,997,415**

Salinity levies are collected under the Ministerial 'policies for managing water use licences in salinity impact zones (2007)', whereby each mega litre of new or increased Annual Use Limit (AUL) attracts a capital or ongoing charge to contribute to the costs of works and measures to offset salinity impacts. Salinity levies are recognised under AASB 1058.

3. THE COST OF DELIVERING OUR SERVICES

Introduction

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

3.1 Expenses incurred in delivery of services

		$	$
	Notes	2026	2025
Employee benefits expense	3.1.1	6,686,065	6,232,858
Consultancies - project based		5,350,822	5,568,129
Contractors - project based		8,543,959	5,184,372
Contractors - construction works		3,659,361	-
Project operations and maintenance	3.4	2,288,640	1,010,586
Grants and incentives	3.2	1,029,815	1,145,385
Other operating expenses	3.3	1,974,398	1,886,494
Total expenses incurred in delivery of services		**29,533,060**	**21,027,824**

3.1.1 Employee benefits in the comprehensive operating statement

		$	$
	Notes	2026	2025
Salaries and wages, annual leave and long service leave		5,995,919	5,630,787
Termination benefits		5,718	803
Defined contribution superannuation		684,428	601,268
Total employee benefits expenses		**6,686,065**	**6,232,858**

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

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

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

3.1.2 Employee benefits 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.

	$	$
	2026	2025
Current provisions:		
Annual leave	388,346	400,748
Long service leave	688,222	634,093
Time in lieu and rostered days off	4,648	1,176
Provisions for on-costs	164,384	204,428
Total current provisions for employee benefits	**1,245,600**	**1,240,445**
Non-current provisions		
Long Service Leave	88,797	113,555
On-costs	14,692	24,646
Total non-current provisions for employee benefits	**103,489**	**138,201**
Total provisions for employee benefits	**1,349,089**	**1,378,646**

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

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

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

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

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

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

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

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

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

3.1.3 Contractors and Consultancies

	2026	2025
Consultancies - project based	5,350,822	5,568,129
Contractors - project based	8,543,959	5,184,372
Contractors - construction works	3,659,959	-
Balance as per cash flow statement	**17,554,740**	**10,752,501**

Consultant expenses relate to independent professional, technical or specialist advice. These expenses are recognised when the services have been received or agreed outputs are delivered.

Contract project expenses relate to external delivery of approved project activities. These expenses are recognised when the related goods, services or milestones are delivered, unless the costs meet the criteria for capitalisation.

Contract construction works relate to externally delivered construction, restoration, infrastructure or works-based activities. Theses expenses are recongised as works are completed or milestones achieved, unless the works create or enhance a controlled asset.

3.2 Grant expenses

	$ 2026	$ 2025
Payments for specific purposes	1,029,815	1,145,385
Total grant expenses	**1,029,815**	**1,145,385**

Grant expenses are contributions of the Authority's resources to another party for specific purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

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

Grant expenses are recognised in the reporting period in which they are paid or payable.

3.3 Other operating expenses

	$ 2026	$ 2025
Supplies and services		
Purchase of services	1,444,710	1,360,707
Office expenses	212,569	206,902
Leases - short term	317,119	318,885
Total other operating expenses	**1,974,398**	**1,886,494**

3.4 Project operations and maintenance expenses

	$ 2026	$ 2025
Supplies and services		
Cultural Heritage Advice and Assessments	1,171,500	578,080
Other project expenditure	1,117,140	432,506
Total project operations and maintenance expenses	**2,288,640**	**1,010,586**

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

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

Project based consultancy and contractor expenses relate to specific on ground projects undertaken by the Authority and do not include similar expenses of a corporate nature.

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

Short-term leases and leases of low-value assets

The Authority has elected to account for short-term leases and leases of low-value assets using the practical expedients. The following lease payments are recognised on a straight-line basis:

- Short-term leases - leases with a term 12 months or less.
- Low value leases - leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than $10,000.
- Operating lease - (including contingent rentals) except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

At 30 June 2026 the Authority does not have any commitments for short-term or low value leases.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

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

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

4.1 Plant and equipment

	$	$	$	$	$	$
	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026	2025	2026	2025	2026	2025
Motor vehicles at fair value	888,764	1,009,718	(516,362)	(386,971)	372,402	622,747
Office furniture and equipment at fair value	-	8,310	-	(5,897)	-	2,413
Plant and equipment at fair value	258,857	283,131	(205,439)	(227,735)	53,419	55,396
Net carrying amount	**1,147,622**	**1,301,159**	**(721,800)**	**(620,603)**	**425,820**	**680,556**

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

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

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

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

Impairment of plant and equipment

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

4.1.1 Depreciation

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

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

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

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

4.1.2 Reconciliation of movements in carrying amounts of plant and equipment

	$	$	$	$
2026	Motor vehicles at fair value	Office furniture and equipment at fair value	Plant and equipment at fair value	Total
Opening balance	622,747	2,413	55,396	680,556
Additions	-	-	57,200	57,200
Disposals	(40,792)	-	-	(40,792)
Depreciation	(209,553)	(2,413)	(59,178)	(271,144)
Closing balance	**372,402**	**-**	**53,418**	**425,820**

5. OTHER ASSETS AND LIABILITIES

Introduction

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

5.1 Receivables

	2026	2025
Contractual		
Accrued interest income	239,912	-
Income receivable	1,674,122	1,504,730
Other receivables	379,179	396,230
Statutory		
GST input tax receivable	470,543	298,679
Total receivables	**2,763,756**	**2,199,639**

Receivables consist of:

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

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

5.2 Payables

	$	$
	2026	2025
Contractual		
Supplies and services	4,350,946	1,334,436
Amounts payable to government and agencies	39,500	-
Total payables	**4,390,446**	**1,334,436**

Payables consist of:

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

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

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

6. HOW WE FINANCED OUR OPERATIONS

Introduction

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

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

6.1 Cash flow information and balances

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

	$ 2026	$ 2025
Cash on hand	1,000	1,000
Cash and deposits disclosed in the balance sheet (a)	69,940,671	50,467,476
Balance as per cash flow statement	**69,941,671**	**50,468,476**

Note:
(a) Cash and deposits bear variable interest rate with a weighted-average interest rate of 4.02% during the 2025-2026 year.

6.2 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and are inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.2.1 Total commitments payable

Nominal amounts 2026	$ Less than 1 year	$ 1 - 5 years	$ 5+ years	$ Total
Other commitments payable	27,813,880	591,801	-	28,405,681
Total commitments (inclusive of GST)	**27,813,880**	**591,801**	**-**	**28,405,681**
Less GST recoverable	2,528,535	53,800	-	2,582,335
Total commitments (exclusive of GST)	**25,285,346**	**538,001**	**-**	**25,823,346**

Nominal amounts 2025	$ Less than 1 year	$ 1 - 5 years	$ 5+ years	$ Total
Other commitments payable	5,716,400	1,135,385	-	6,851,785
Total commitments (inclusive of GST)	**5,716,400**	**1,135,385**	**-**	**6,851,785**
Less GST recoverable	519,673	103,217	-	622,890
Total commitments (exclusive of GST)	**5,196,727**	**1,032,168**	**-**	**6,228,895**

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

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

7.1 Financial instruments specific disclosures

Introduction

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

Categories of financial assets

Financial assets at amortised cost

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

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

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

The Authority recognises the following assets in this category

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

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired
- the Authority retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement
- the Authority has transferred its rights to receive cash flows from the asset and either:
  - –has transfered substantially all the risks and rewards of the asset
  - –has neither transferred nor retained substantially all the risk and rewards of the asset but has transferred control of the asset.

Categories of financial liabilities

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

7.1.1 Financial instruments - Net gain/(loss) on financial instruments by category

2026	Carrying Amount	Net gain/loss	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss
	$	$	$	$	$
Contractual financial assets at amortised cost					
Cash and deposits	69,941,671	-	2,448,024	-	-
Receivables [(a)]					-
Accrued Interest income	239,912	-	-	-	-
Income receivable	1,674,122	-	-	-	-
Other contractual receivables	379,179	-	-	-	-
Total contractual financial assets at amortised cost	**72,234,885**	**-**	**2,448,024**	**-**	**-**
Contractual financial liabilities at amortised cost					
Trade Payables					
Supplies and services	4,350,948	-	-	-	-
Amounts payable to government and agencies	39,500	-	-	-	-
Total contractual financial liabilities at amortised cost	**4,390,448**	**-**	**-**	**-**	**-**

Note:

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

2025	Carrying Amount	Net gain/loss	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss
	$	$	$	$	$
Contractual financial assets at amortised cost					
Contractual financial assets					
Cash and deposits	50,468,476	-	2,185,839	-	-
Receivables [(a)]					
Income receivable	1,504,730	-	-	-	-
Other contractual receivables	396,230	-	-	-	-
Total contractual financial assets at amortised cost	**52,369,436**	**-**	**2,185,839**	**-**	**-**
Contractual financial liabilities at amortised cost					
Trade Payables					
Supplies and services	1,334,436	-	-	-	-
Amounts payable to government and agencies	-	-	-	-	-
Total contractual financial liabilities at amortised cost	**1,334,436**	**-**	**-**	**-**	**-**

Note:

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

7.2 Contingent assets and contingent liabilities

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

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

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

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

The following assets and liabilities are carried at fair value:

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

Fair value hierarchy

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

· Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;

· Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

· Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

How this section is structured

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

· valuation techniques

· details of significant assumptions used in the fair value determination.

7.3.1 Fair value determination on non-financial physical assets

Valuation techniques and significant assumptions of non-financial physical assets measured at fair value

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian implementation guidance for not-for-profit public sector entities*. Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

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

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

There were no changes in valuation techniques throughout the period to 30 June 2026.

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

Description of significant assumptions applied to fair value measurement unobservable inputs to Level 3 valuations

2026	Valuation technique	Significant assumption
Office furniture and equipment	Replacement cost	Cost per unit
		Useful life of office furniture and equipment
Plant and equipment	Replacement cost	Cost per unit
		Useful life of plant and equipment
Vehicles	Replacement cost	Cost per unit
		Useful life of vehicles

There have been no significant changes to observable inputs for the 2025-2026 year.

8. OTHER DISCLOSURES

Introduction

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

8.1 Ex gratia expenses

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write-off) that are not made either to acquire goods, services or other benefits for the entity to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

The Authority had no ex gratia expenses for the year ending 30 June 2026 (2025 $0).

8.2 Other economic flows included in net result

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

	$ 2026	$ 2025
Net gain on non-financial assets		
Net gain on disposal of plant and equipment	73,046	156,440
Total net gain on non-financial assets	73,046	156,440

8.3 Reserves

	$ 2026	$ 2025
Committed funds reserve [(a)]		
Balance at beginning of financial year	7,789,386	7,136,802
Transfers to/(from) accumulated surplus	14,419,776	652,584
Balance at end of financial year	**22,209,162**	**7,789,386**
Salinity offset reserve [(b)]		
Balance at beginning of financial year	31,734,768	32,861,093
Transfers to/(from) accumulated surplus	1,043,441	(1,126,325)
Balance at end of financial year	**32,778,209**	**31,734,768**
Capital renewals reserve [(c)]		
Balance at beginning of financial year	1,000,000	1,000,000
Transfers to/(from) accumulated surplus	-	-
Balance at end of financial year	**1,000,000**	**1,000,000**
Total reserves	**55,987,371**	**40,524,154**

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

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

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

8.4 Responsible persons

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

Names

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

Ministers

The Hon. Gayle Tierney MP, Minister for Water	1 July 2025 to 14 April 2026
The Hon. Harriet Shing MP, Minister for Water	15 April 2026 to 30 June 2026
The Hon. Steve Dimopoulos MP, Minister for Environment	1 July 2025 to 14 April 2026
The Hon. Enver Erdogan MP, Minister for Environment	15 April 2026 to 30 June 2026
The Hon. Lily D'Ambrosio Minister for Climate Action	1 July 2025 to 30 June 2026

Board Members

Andrew Charles, Board Member	1 October 2025 to 30 June 2026
Allison McTaggart, Board Chair	1 July 2025 to 30 September 2025
Ann Hodge, Board Member	1 October 2025 to 30 June 2026
Janice Kelly, Board Member	1 July 2025 to 30 June 2026
Kym McIntosh, Board Member	1 October 2025 to 30 June 2026
Kellie Nulty, Board Member	1 July 2025 to 30 September 2025
Robert Matthews, Board Member	1 October 2025 to 30 June 2026
Narelle Heard, Board Chair	1 October 2025 to 30 June 2026
Janitha (Ruwan) Jayasinghe, Board Member	1 July 2025 to 30 June 2026
Antonio Alessi, Board Member	1 July 2025 to 30 September 2025

Accountable Officer

Jennifer Collins, Chief Executive Officer	1 July 2025 to 30 June 2026

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with management of the Authority during the reporting period was in the range: $380,000-$390,000 (2025: $360,000-$370,000).

8.5 Remuneration of executives

The Authority did not have any executive officers, other than those disclosed under note 8.6 Related parties to whom the Victorian Government's Public Entity Executive Remuneration (PEER) Policy applies.

8.6 Related parties

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

The Authority is a wholly owned and controlled entity of the State of Victoria.
Related parties of the authority include:

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

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

Remuneration of key management personnel
Key management personnel of the Authority includes Portfolio Ministers, board members, the chief executive officer and members of the executive management team:

- The Hon. Gayle Tierney MP, Minister for Water
- The Hon. Harriet Shing MP, Minister for Water
- The Hon. Steve Dimopoulos MP, Minister for Environment
- The Hon. Enver Erdogan MP, Minister for Environment
- The Hon. Lily D'Ambrosio Minister for Climate Action
- Andrew Charles, Board Member
- Allison McTaggart, Board Chair
- Ann Hodge, Board Member
- Janice Kelly, Board Member
- Kym McIntosh, Board Member
- Kellie Nulty, Board Member
- Robert Matthews, Board Member
- Narelle Heard, Board Chair
- Janitha (Ruwan) Jayasinghe, Board Member
- Antonio Alessi, Board Member
- Jennifer Collins, Chief Executive Officer
- Meagan Crozier, Chief Financial Officer
- James Kellerman, Chief Operations Officer

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 State's Annual Financial Report.

	$	$
Compensation of KMPs	2026	2025
Total	1,065,238	708,837
Total number of executives	13	11
Total annualised employee equivalents	10	9.5

Government Related Entities

During the year the Authority reported related party transactions with the following government related entities (where the total value of the entity transactions exceeds $100 000) :

Name of Government Entity	Details Transaction	Nature of Relationship	Receipts	Outstanding Receipts	Payments	Commitments
Department of Energy, Environment and Climate Action (DEECA)	Provision grant funding to undertake projects	Significant influence	36,524,233	-	2,665,618	353,577
Department of Justice and Community Safety (DJCS)	Purchase of goods/services to undertake projects	Joint responsibility	104,500	104,500	-	-
Department of Transport and Planning	Purchase of goods/services to undertake projects	Joint responsibility	-	-	-	412,115
Glenelg Hopkins Catchment Management Authority	Reimbursement of costs associated with joint project.	Joint responsibility	105,000	-	-	-
Lower Murray Water	Purchase of goods/services to undertake projects	Joint responsibility	5,367,727	365,518	2,211	-
Parks Victoria	Purchase of goods/services to undertake projects	Significant influence	-	-	584,697	955,661
Wimmera Catchment Management Authority	Reimbursement of costs associated with joint project.	Joint responsibility	231,508	63,448	-	-

Other Related Party Transactions
During the year all transactions that have occurred with KMP and their related parties have not been considered material for disclosure.

8.7 Remuneration of auditors

	$ 2026	$ 2025
Victorian Auditor-General's Office		
Audit of the financial statements	26,000	24,700
Total remuneration of auditors	**26,000**	**24,700**

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

8.8 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.

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APPENDIX 2

2025–26 Mallee Catchment Management Authority Condition and Management Report

Introduction

Under the *Catchment and Land Protection Act 1994*, 'each Catchment Management Authority (CMA) must include in its report of operations prepared under Part 7 of the *Financial Management Act 1994*, a report on the condition and management of land and water resources in its region and the carrying out of its functions'. Since 2022, CMAs have worked collectively to develop an approach to enable this reporting to be undertaken, consistent with the agreed Statewide outcomes framework that links regional outcomes and activity (management) to the high-level policy outcomes of the Victorian and Australian Government.

Annual Catchment Condition and Management Reporting

This report provides a summary assessment of the condition and management of the region's environment and a reflection on the likely impact of annual scale actions, events, and observed change within the previous year. A key purpose of monitoring changes in the operating context is to help identify opportunities for adapting and changing the way we manage the environment. The full catchment condition and management report is contained within each CMA's Annual Report.

The report is structured in line with the state-wide outcome framework that links the regional outcomes sought by catchment communities to the high-level policy outcomes of the Victorian and Australian Governments. These are outlined in each Regional Catchment Strategy (RCS) (rcs.vic.gov.au).

In 2025–26 reporting has a focus on catchment management ratings. The 2022–23 catchment condition ratings have been adopted and provided here for completeness, with an update to be undertaken in 2027 to align with the availability of data for condition indicators and the formal evaluation needs of the Regional Catchment Strategy.

How to interpret this report

The assessment is based on a set of state-wide indicators outlined in the RCS outcomes framework, augmented with regionally specific indicators that have been selected based on criteria including availability and quality of data, and the linkages back to regional and policy outcomes.

This report provides a summary assessment for condition and management indicators at a theme level (water, biodiversity, land, coast and marine, communities and integrated catchment management). The management assessment for each theme assesses the delivery of CMA programs and activities.

Reporting on management indicators is undertaken annually.

Reporting on catchment condition indicators is undertaken less frequently, reflecting the timeframes to observe changes in the natural environment and the availability of the supporting data. The 2025–26 annual report includes the 2022–23 condition ratings and an update on factors that may have influenced catchment condition over the preceding year.

As much as possible, the reporting format attempts to provide a transparent path between the evidence and the assessment. It is not a definitive assessment but an assessment at a point in time, based on the best available evidence.

Condition Ratings

An overall condition rating for each theme is provided based on the 2022–23 Catchment Condition Report. CMAs assigned overall condition ratings at this time based on a set of condition indicators for each theme and consideration of other influencing factors. The assessment incorporated available science, expert advice and other evidence. The annual update aims to provide an overview of the factors that may have influenced catchment condition over the preceding year or any new information relating to catchment condition that will inform future assessments.

Condition rating	Description
GOOD	The condition is classified as good.
MODERATE	The condition is classified as moderate.
POOR	The condition is classified as poor.
NOT APPLICABLE	A condition rating is not applicable for this indicator.

Management Ratings

Management ratings are presented in summary form for each theme and are assessed by comparing the delivered activities for the financial year against the funded activities for the financial year. The table presents results based on the number of indicators assessed as meeting each category (Above expectations, Met expectations, Below expectations or Not applicable) with the total number of indicators assessed in each theme also provided. The overall management rating for each theme has been assigned by considering the individual indicator ratings and other influencing factors. The management summary text provides a rationale for the ratings including commentary on factors influencing the delivery of CMA programs such as climate, natural events, organisational capacity and socio-economic factors.

Management rating	Description
ABOVE EXPECTATIONS ★★★	Delivery of activities and programs associated with this indicator is assessed as above expectations for the 12-month period (i.e. majority of activities delivered /targets met or exceeded)
MET EXPECTATIONS ★★	Delivery of activities and programs associated with this indicator is assessed as having met expectations for the 12-month period (i.e. the majority of activities delivered/targets were met or almost achieved).
BELOW EXPECTATIONS ★	Delivery of activities and programs associated with this indicator is assessed as below expectations for the 12-month period (i.e. some critical activities/targets not delivered, or the majority of activities/targets not delivered)
NOT APPLICABLE ☆	A management rating is not applicable for this indicator
UNKNOWN ☆	The rating for this indicator is not known and/or assessable

2022–2023 Catchment Condition Rating

WATER	LAND	COAST AND MARINE	BIODIVERSITY	COMMUNITY	INTEGRATED CATCHMENT MANAGEMENT
MODERATE	MODERATE[1]	NOT APPLICABLE	MODERATE[2]	MODERATE	UNKNOWN[3]

2025–2026 Catchment Condition Update

Water

Long-term monitoring continues to demonstrate the positive contribution of environmental water deliveries to waterway connectivity and the condition of aquatic, riparian and floodplain habitats. Monitoring also indicates that targeted threat mitigation works, including invasive plant and animal management, have helped secure and build upon outcomes achieved by environmental watering and the 2022–23 riverine flood event.

Climatic factors influencing these condition gains in 2025–26 included Murray River inflows being well below the long-term (129 year) median[4], while inundation extent (0.7%) was 22% below the 30-year average[5]. Below average rainfall and prolonged summer heatwaves also contributed to significant fire events within two priority waterway management areas: the Heritage River and Directory of Important Wetlands-listed Outlet Creek - Wirrengren Plain system (12,327ha burnt), and the Hattah-Kulkyne Lakes Ramsar site (641ha burnt).

Land

Dryland
While medium-term trends in productivity and soil health are directly influenced by rainfall, there is evidence that most dryland farmers continue to implement and adapt best management practices in response to seasonal conditions. However, with 20% of the dryland agriculture landscape not achieving the >50% groundcover threshold in March 2026, it is also evident that ongoing support needs to be provided to farmers in susceptible landscapes to accelerate the identification, validation and adoption of practices that promote increased groundcover and reduce erosion risk, particularly in regard to providing effective management responses in dry seasons.

Irrigated
Evidence indicates that ongoing improvements in irrigation management continue to support decreased subsurface drainage flows to the river, floodplain and inland drainage basins; with an ongoing trend of decreased river salinity being observed. Water supply and demand for perennial horticultural plantings remain a significant challenge however, particularly given the risks associated with increasing climate variability and a changing climate.

Biodiversity

Evidence indicates that management actions delivered within priority landscapes are contributing to positive ecological outcomes through both short-term threat mitigation and longer-term improvements in habitat condition. However, the long-term viability of many species across the region remains highly dependent on favourable environmental conditions.

1 **Land** reported as two discrete sub-themes in 2022–23, Dryland and Irrigated – with both assessed as being in *Moderate* condition.
2 **Biodiversity** reported as two discrete sub-themes in 2022–23; Threatened Species and Communities - assessed as being in *Poor* condition; and Terrestrial Habitat – assessed as being in *Moderate* condition.
3 Rating not provided in 2022–2023 report.
4 River Murray Annual Operating Outlook: June 2026 – 31 May 2027. Murray–Darling Basin Authority, August 2026.
5 TERN Australia's Environment – 2025 Report, Mallee.

In 2025–26, below to very much below average rainfall and extreme heatwaves placed significant pressure on the region's native species, with these impacts further compounded by intense bushfires that burnt around 47,000ha of critical habitat within Wyperfeld National Park. Record-breaking rainfall during February and March provided some relief, stimulating vegetation growth and improving habitat resources across the region; demonstrating the capacity of Mallee ecosystems to respond positively when favourable seasonal conditions coincide with ongoing management efforts.

Community

Ongoing participation by stakeholders and the broader community in awareness, skill development, and collaboration focused activities provided for positive outcomes over both the short- and medium-term. Participant evaluations demonstrated high levels of satisfaction with these activities, while improvements in capacity were reported by stakeholders engaged through education programs (i.e. awareness raising), incentive/grants programs (i.e. knowledge and skill development); and by those participating in community advisory/reference groups.

It is also recognised however that that small rural communities are continuing to experience population decline and ageing demographics; directly impacting the capacity of rural landholders and community-based groups to co-invest time and resources in environmental stewardship and on-ground action.

Integrated Catchment Management

Place-based delivery, strong partnerships and collaborative planning continue to support integrated management outcomes across the region. By aligning investment priorities and on-ground actions within landscapes identified as priorities for management by the 2022–28 Regional Catchment Strategy, stakeholders are collectively contributing to stewardship outcomes at both site and landscape scales. Ongoing participation by landholders, Traditional Owners, community groups, industry and government agencies also continues to strengthen coordination, knowledge sharing and collective decision-making, enabling more integrated and enduring NRM outcomes across the region.



Monitoring by kayak.

2025–2026 Catchment Management Rating

(No. indicators assessed as meeting each category)						
THEME	Not Applicable	Below Expectations	Met Expectations	Above Expectations	Total no. indicators assessed	Overall Rating
WATER	1	1	2	3	6	MET EXPECTATIONS
LAND	1	1	–	2	3	MET EXPECTATIONS
BIODIVERSITY	1	–	2	4	6	ABOVE EXPECTATIONS
COMMUNITY	1	–	2	2	4	ABOVE EXPECTATIONS
INTEGRATED CATCHMENT MANAGEMENT	–	–	2	1	3	MET EXPECTATIONS

2025–2026 Management Summary

Water

Approximately 50,000ha of targeted works were delivered within priority management areas to reduce the impacts of key threats on aquatic, riparian, and floodplain habitat. These works addressed weed competition (5,037ha WoNS control), herbivore grazing (5,357ha rabbit and 15,498ha feral goat control), soil disturbance (22,839ha feral pig control), predation (70ha fox control), species diversity and recruitment (62ha revegetation), connectivity (42 environmental water deliveries), and recreational impacts (24km exclusion fencing).

While most actions met or exceeded annual targets, the area inundated through environmental watering was lower than planned due to two contrasting factors: below average Murray River inflows, which reduced environmental water allocations; and restricted site access following significant rainfall events in February and March.

Land

Delivery continued to focus on building stakeholder capacity to understand the economic and environmental implications of current land use practices and to identify and implement appropriate management responses. This included 35 field-based assessments to improve understanding of key agronomic and sustainability indicators, including the influence of climate variability and climate change on land productivity and condition. Targeted extension and engagement activities continued to be effective in disseminating this information, with 837 land managers and industry representatives participating in field days, workshops and webinars.

Although targets for irrigation infrastructure upgrades and conversions under the Mallee Irrigation Incentive Program were not achieved, this largely reflects the high level of existing best-practice adoption across the region, with 98% of irrigators already operating pressurised systems.

Biodiversity

Over 360,000ha of targeted works were delivered to protect/restore existing terrestrial habitat for increased function and resilience across eight priority landscapes, benefitting multiple species. These works addressed key threats, including herbivore grazing (55,956ha rabbit and 136,718ha feral goat control) weed competition (7,238ha WoNS control), and predation (120,075ha fox and 15,507ha feral cat control). Habitat re-establishment for improved landscape function and connectivity was also facilitated through 400ha of revegetation works.

Specialised interventions undertaken to support the conservation of specific threatened species included exclusion fencing to mitigate grazing impacts on EPBC-listed Winged Peppercress (Endangered) and Malleefowl (Vulnerable); and the release of EPBC-listed Murray Hardyhead (Endangered) and Silver Perch (Endangered) into suitable waterways.

All actions met or exceeded annual targets.

Community

A broad range of stakeholders were engaged throughout 2025–26, with 4,158 participants attending 379 events. Adaptive approaches to engagement, including the provision of online participation options where appropriate and the delivery of Traditional Owner events on Country, proved effective in addressing previously identified barriers to participation. The ongoing release of recognised communication products, development of regionally specific educational resources, and regular social media engagement also extended the reach of program messages to a large and diverse audience.

The provision of more than $1 million in grants and incentives to Traditional Owners, community groups and private land managers supported delivery against local priorities while building capacity for NRM.

All actions met or exceeded annual targets.

Integrated Catchment Management

The establishment and/or maintenance of 83 formal partnership arrangements provided for collaborative approaches to NRM planning and delivery throughout 2025–26. This included the ongoing coordination of two ICM focused forums, the Sustainable Agriculture and Biodiversity-Water Catchment Partnership Committees.

Targeting investment to deliver against priorities established by the 2022–28 Mallee RCS resulted in 95% of on-ground actions being delivered within priority landscapes, supporting place-based delivery mechanisms and the coordinated implementation of actions that provide cross-theme benefits.

All actions met or exceeded targets.



Murray Hardyhead translocation, Koorlong.

Catchment management indicators used in this assessment

Indicator Name	Used in this assessment?	Comment
WATER		
Extent of protected or improved riparian land (ha)	Yes	100% of annual target achieved – actions to protect/improve waterway values delivered within 83% (19) of the Mallee Waterway Strategy's 23 priority areas for management (target = >75%).
Fence (km)	Yes	109% of annual target achieved - 16km of exclusion fencing/bollards installed and a further 8km maintained to project priority riparian habitat and associated cultural values (target = 22km).
Water storage – trough (no.)	No	No associated activities scheduled for 2025–26.
Vegetation (ha)	Yes	105% of annual target achieved - 62ha of revegetation works delivered within priority aquatic and riparian/floodplain habitat (target = 59ha).
Weed control (ha)*	Yes	100% of annual target achieved - 5,054ha of control works delivered within priority riparian/floodplain habitat (target = 5,037ha).
Pest herbivore and predator control (ha)	Yes	147% of annual target achieved - 44,215ha of control works (rabbit, feral goat, feral pig, and fox) delivered within priority riparian/floodplain habitat (target = 30,153ha).
Environmental flow compliance	Yes	80% of annual target achieved – 42 environmental water deliveries (6,871 ML) to inundate 607ha of priority waterways (target =728ha).
LAND		
Area of improved agricultural practices (ha)	Yes	0% of annual target achieved – no irrigation infrastructure upgrades/conversions delivered through the Mallee Irrigation Incentive Program (target = 13ha).
Number of assessments	Yes	106% of annual target achieved – 35 assessments undertaken to determine impacts of land use practices and identify/validate appropriate management practices (target = 35).
Number of property plans	No	No associated activities scheduled for 2025–26.
Number of participants in targeted engagement events	Yes	112% of annual target achieved – 837 participants at activities targeting agricultural land managers and associated industry groups (target = 750).
BIODIVERSITY		
Extent of protected or improved terrestrial habitat (ha)	Yes	100% of annual target achieved – actions to protect/improve terrestrial habitat values (i.e. multiple species benefits) delivered within 80% (8) of the Regional Catchment Strategy's 10 priority areas for management (target = >75%).
Number of targeted/specialised threatened species interventions	Yes	100% of annual target achieved – 5 individual threatened species (Malleefowl, Winged Peppercress, Growling Grass Frog, Hardyhead, Silver Perch) protected by targeted works programs (target = 5).
Fence (km)	Yes	104% of annual target achieved – 5.5km of exclusion fencing installed to project priority terrestrial habitat (target = 5.3km)
Vegetation (ha)	Yes	109% of annual target achieved - 400ha of revegetation works delivered within priority terrestrial habitat (target = 366ha).

Continued...

Indicator Name	Used in this assessment?	Comment
BIODIVERSITY *Continued...*		
Pest herbivore and predator control (ha)	Yes	107% of annual target achieved - 357,094ha of control works (rabbit, feral goat, feral cat and fox) delivered within priority terrestrial habitat (target = 333,425ha).
Weed control (ha) *	Yes	106% of annual target achieved - 7,238ha of control works delivered within priority terrestrial habitat (target = 6,816ha).
Additional area of permanent protection through CMA programs (ha)	No	No associated activities scheduled for 2025–26.
COMMUNITY		
Number of formal partnership agreements with Traditional Owners / First Nations	Yes	100% annual target achieved - 13 formal partnerships established and/or maintained with Traditional Owners to facilitate participation in program planning and delivery (target = > 5-year average).
Number of participants in engagement events	Yes	115% of annual target achieved – 4,158 participants attending 379 engagement events (e.g. field days, workshops, conferences, meetings) (target = 3,621).
Number of communication products	Yes	104% of annual target achieved – 293 products developed/disseminated (e.g. social media, factsheets, newsletters, websites, videos, podcasts, booklets, reports).
Number of Volunteers in CMA programs	No	Data not collected as part of 2025–26 delivery
Total quantum of grants awarded ($)	Yes	100% of annual target achieved – $1,029,815 awarded to Traditional Owners, community groups and private land managers to deliver targeted NRM activities (target = >5-year average).
INTEGRATED CATCHMENT MANAGEMENT		
Delivery within Mallee RCS priority landscapes to support ICM outcomes (%)	Yes	100% of annual target achieved – 95% of on-ground actions delivered within RCS priority areas (target = >75%)
Number of partnerships	Yes	98% of annual target achieved – 83 formal partnerships established and/or maintained with land managers (public and private) and community groups to facilitate coordinated/collaborative approaches to NRM planning and delivery (target = 85).
Number of place-based projects delivered in partnership with local stakeholders	Yes	107% of annual target achieved – 15 on-ground catchment stewardship projects implemented through the coordinated efforts of land managers, community groups and Traditional Owners (target = 14).

NOTE: * Priority weed species treated by control works included African Boxthorn, Noogoora Burr, Thorn Apple, Tobacco Tree, Prickly Pear, Hudson Pear, Wheel Cactus, Bridal Creeper, and Buffel Grass

NOTES





malleecma.com.au

Mallee Catchment Management Authority
Corner Eleventh Street & Koorlong Avenue,
Irymple Victoria 3498
PO Box 5017 Mildura Victoria 3502
Telephone 03 5001 8600
Email reception@malleecma.com.au