



Corporate Plan 2018/19 — 2022/23



NORTH CENTRAL
Catchment Management Authority
Connecting Rivers, Landscapes, People

Creating
natural resource
management
partnerships and
programs that
deliver lasting
change

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Acknowledgement Of Country

The North Central Catchment Management Authority acknowledges Aboriginal Traditional Owners within the region, their rich culture and spiritual connection to Country. We also recognise and acknowledge the contribution and interest of Aboriginal people and organisations in land and natural resource management.

Foreword from the Chair

At the North Central CMA, we embrace our role as the lead natural resource management agency in north central Victoria. We are committed to delivering natural resource management programs in partnership with communities, Traditional Owners and other agencies that result in lasting change.

This Corporate Plan sets the direction for our business for the next five years and responds to the priority policy areas for the Victorian Government. In particular we acknowledge the importance of being able to demonstrate our outcomes and their value to the community.

Development of this plan has come at a challenging time. There are unknowns about the quantum of continued funding from the Australian Government's National Landcare Program (NLP) leading to some budget uncertainty. So we have applied a conservative approach to the development of our ongoing programs.

In facilitating integrated catchment management in the region we have also identified emerging opportunities to deliver better stakeholder value, and will co-ordinate approaches to secure additional traditional and non-traditional funding.

Fortunately, we have a strong and diverse base of working partnerships and community and industry networks where we collaborate and can find mutual benefit. Investment in respectful and knowledgeable engagement remains essential.

We spent time in 2017-2018 thinking about and designing how to best perform as an organisation. In conjunction with our business improvement program, we're implementing two new initiatives to help us with this task: Organisational Performance Framework which integrates and aligns measures across all our activity; and the formalisation of our line-of-sight model of opportunity development that creates a pipeline of compelling business cases.

On behalf of the Board and Management we look forward to working with the Victorian Government and our regional community, industry, Traditional Owners and government partners to deliver the programs and outcomes outlined in this Corporate Plan.



Julie Miller Markoff
Chair



About the North Central CMA

The North Central CMA

The North Central Catchment Management Authority (CMA) is the lead natural resource management (NRM) agency in north central Victoria and has a track record of delivering programs in partnership with communities and other agencies. The North Central CMA works to deliver lasting change for the region's four river catchments and the many natural resources assets they contain.

Established in 1997 under Victoria's *Catchment and Land Protection Act 1994 (CaLP Act)* the North Central CMA also has powers and functions under the *Water Act 1989 (Water Act)*. It is accountable to the Hon Lisa Neville MP, Minister for Water and the Hon Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change via the Department of Environment, Land, Water and Planning.

The North Central region

The North Central CMA region covers about three million hectares or 13 per cent of Victoria. It is bounded by the Murray River to the north, Mt Camel Range to the east and the Great Dividing Range to the south. The North Central CMA region comprises four major river catchments: Campaspe, Loddon and Avoca, and Avon-Richardson. The Campaspe and Loddon rivers are regulated systems that flow to the Murray River, while the Avoca River flows into a series of terminal lakes and wetlands known as the Avoca Marshes. Wetlands in the region provide important ecological functions for rivers and floodplains. There are 1,619 wetlands covering 84,325 hectares with 77 per cent considered to be of regional, national or international importance.

The region spans a number of local government areas, incorporating the Loddon Shire, Mount Alexander Shire, Central Goldfields Shire, Hepburn Shire, Gannawarra Shire, City of Greater Bendigo and Campaspe Shire. Parts of the Northern Grampians, Buloke, Pyrenees Shire, City of Ballarat, Macedon Ranges Shire and Swan Hill Rural City also lie within the region.

The region has a population of more than 240,000 people, concentrated in the growing regional hub of Bendigo and the townships of Echuca, Swan Hill, Charlton, Donald, St Arnaud, Maryborough, Castlemaine, Kyneton and Heathcote.

The southern part of the region is a popular location for tree-changers, with annual population growth projected to continue at a rate almost 50 per cent higher than the average for regional Victoria (Loddon Mallee Regional Strategic Plan).

The North Central CMA region includes the traditional land of the Dja Dja Wurrung, Barapa Barapa, Wemba Wemba, Yorta Yorta, Taungurung, Wadi Wadi and Wergaia represented by the Barengi Gadjin Land Council. The North Central CMA recognises the connection that Traditional Owners (TOs) and Aboriginal and Torres Strait Islander (ATSI) communities and organisations have with Country and their obligations, rights and responsibilities to use and care for it.

The annual rainfall across the region varies from 300 millimetres (mm) in the north-west to more than 1,200 mm in the south-east. Temperatures to the south often fall below 1°C during the winter months, whilst temperatures to the north regularly reach more than 40°C in summer.

More than 85 per cent of the North Central CMA region is private land. This private land supports a diverse agricultural industry with horticulture, dairying and dryland farming (particularly grain cropping and livestock grazing) the main enterprises. In the north of the region, the Loddon/Campaspe irrigation area supports dairy, mixed farming and horticulture.

In the southern area, particularly near major population centres, traditional agricultural pursuits are giving way to smaller enterprises and rural living zones. While many profitable farms remain south of Bendigo, this transition is being driven by increased land amenity values which, in most cases, exceed the primary production capacity of the land.

Significant natural resource assets also exist on private land, particularly remnant woodlands, grasslands and wetlands that haven't been cleared for farming, making private land managers key partners in natural resource management across the region.

About 13 per cent of the North Central CMA region is public land. The region's rich natural assets have been reserved as regional and national parks, internationally significant wetlands, flora and fauna reserves and reference areas from the gold-mining era.

Governance

The 10 Victorian CMAs, including the North Central CMA, were established under, and deliver the legislative requirements of the:

- *Catchment and Land Protection (CaLP Act 1994)* and its Statement of Obligations, issued in January 2018.
- *Water Act 1989* and its Statement of Obligations, issued in January 2018.

The Public Administration Act 2004, Financial Management Act 1994, Freedom of Information Act 1982, Privacy and Data Protection Act 2014, Protected Disclosure Act 2012 and other associated statutory instruments, Ministerial Directions and departmental requirements also provide guidance to the CMAs on their governance requirements.

Under the *CaLP Act*, CMAs are required to have a Board charter endorsed by their respective Boards that sets out their governance framework. The North Central CMA has a Board charter that is reviewed annually.

The North Central CMA Board, its committees and staff all have a strong commitment to continual improvement in maintaining high standards of corporate governance.

These high standards are supported through a structure and culture that establishes and maintains the appropriate separation of duties, and demands accountability and excellence in all aspects of the business.



Reporting structure

The North Central CMA is a statutory authority that reports through the Department of Environment, Land, Water and Planning (DELWP) to the Minister for Water and Minister for Energy, Environment and Climate Change and, ultimately, the Parliament of Victoria.

This Corporate Plan, together with the North Central CMA Annual Report, provides the basis for:

- Planning, managing and monitoring the North Central CMA’s overall performance.
- Reporting to the Board and stakeholders on the North Central CMA’s business.
- Demonstrating compliance with legislative obligations, ministerial directions and departmental requirements.

In addition to this Corporate Plan, the North Central CMA will also provide the following documents to the Ministers:

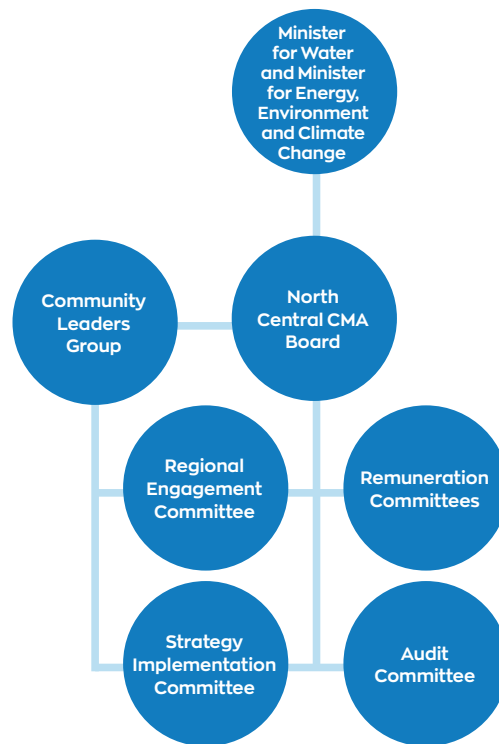
- North Central CMA Annual Report
- Victorian CMA Actions and Achievements Report
- North Central CMA Board annual performance assessment results.

A range of reporting and information is provided to DELWP on the progress and performance of North Central CMA activities (e.g. six-monthly and annual project reporting).

Board and committees

The Victorian Government appoints diverse community Boards of up to nine members to govern CMAs based on their skills and background relevant to natural resource management. Board members have a strong connection to community and represent community values and priorities when considering strategic issues relating to the protection and improvement of the region’s natural resources.

The Board has five standing committees each chaired by a Board member, complemented by a range of project specific committees.



Community Leaders Group

Community Leaders have specific appointed roles as chair of project/program committees and/or participating in strategy initiatives (e.g. strategy development or Board sub-committees). These projects and programs have a significant community interface with members bringing personal expertise and a community linkage to the work of the North Central CMA.

Regional Engagement Committee

Strategically analyses, develops, monitors and coordinates approaches and practices in relation to the way we engage with our partners, stakeholders and the general community. Membership consists of three Board members, nominated and endorsed by the full Board and two Community Leader Group members.

Strategy Implementation Committee

Supports the North Central CMA to deliver on the strategic direction of the North Central RCS and sub-strategies. Membership consists of three Board members and two Community Leader Group members.

Audit Committee

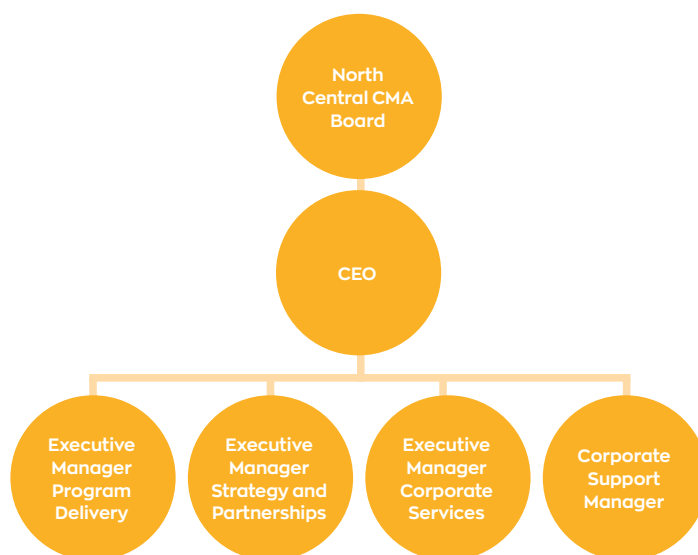
Monitors and evaluates the adequacy and effectiveness of the corporate governance and risk management frameworks. The committee consists of four Board Members nominated and endorsed by the full Board. It is supported by the CEO, Executive Manager Corporate Services, and Financial Accountant.

Remuneration Committee

Oversees the management, performance and remuneration of the CEO. The committee is made up of three Board members nominated and endorsed by the full Board.

Organisation structure

The North Central CMA organisation structure consists of three departments reporting to the CEO, supported by the Corporate Support Manager.



Business direction

The strategic direction and responsibilities for all CMAs are guided by the *CaLP Act* and *Water Act*, along with their complementary Statement of Obligations (SoO) and Letters of Expectations. Other key government strategic directions and programs include Victoria's *Our Catchments*, *Our Communities*, *Water for Victoria*, *Protecting Victoria's Environment-biodiversity 2036*, *Victorian Waterway Management Strategy*, *Victorian Floodplain Management Strategy* and *Victorian Climate Change Framework* as well as the Australian Government's National Landcare Program, *Australian Threatened Species Strategy* and the *Murray Darling Basin Plan*.

The North Central CMA Board renewed the strategic direction of the organisation for 2017-18. This review was informed by the Acts, the SoO, Victorian and Australian government strategic directions and the North Central Regional Catchment Strategy 2013-19 (RCS). The review also considered the important work being undertaken within the organisation to ensure it continues to deliver the best possible value for communities, government and interested stakeholders.

1.1 Our purpose (mission)

We create natural resource management partnerships and programs that deliver lasting change.

1.2 Our vision

Sustainably managed land, water and biodiversity resources that support productive and prosperous communities now and in the future.

Our approach

Connecting natural resource management activities

- Delivering water for the environment and improving riparian habitat.
- Supporting productive agricultural land.
- Linking healthy biodiversity.
- Adapting our landscape to a changing climate.

Enabling active communities

- Supporting community action.
- Collaborating with Traditional Owner and Aboriginal groups.
- Partnering with government, industry and community.

Supporting sound decisions with knowledge

- Gathering knowledge from traditional, local and scientific sources.
- Sharing knowledge and information to empower our community.
- Fulfilling our statutory roles in floodplain management to prepare and protect the community.

Our culture

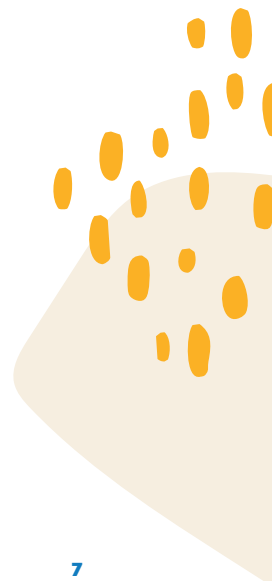
As a public-sector entity we behave in line with the Victorian Public Sector values.

We are knowledgeable, engaging and reliable. We do this by:

- seeking to understand
- being honest and taking responsibility
- seeing something and doing something
- showing respect
- actively engaging

We measure our achievement by asking the following questions of ourselves:

- Have we made effective decisions?
- Did we deliver the goods?
- Have we respected the rules?
- Did we share the roles and the rewards?



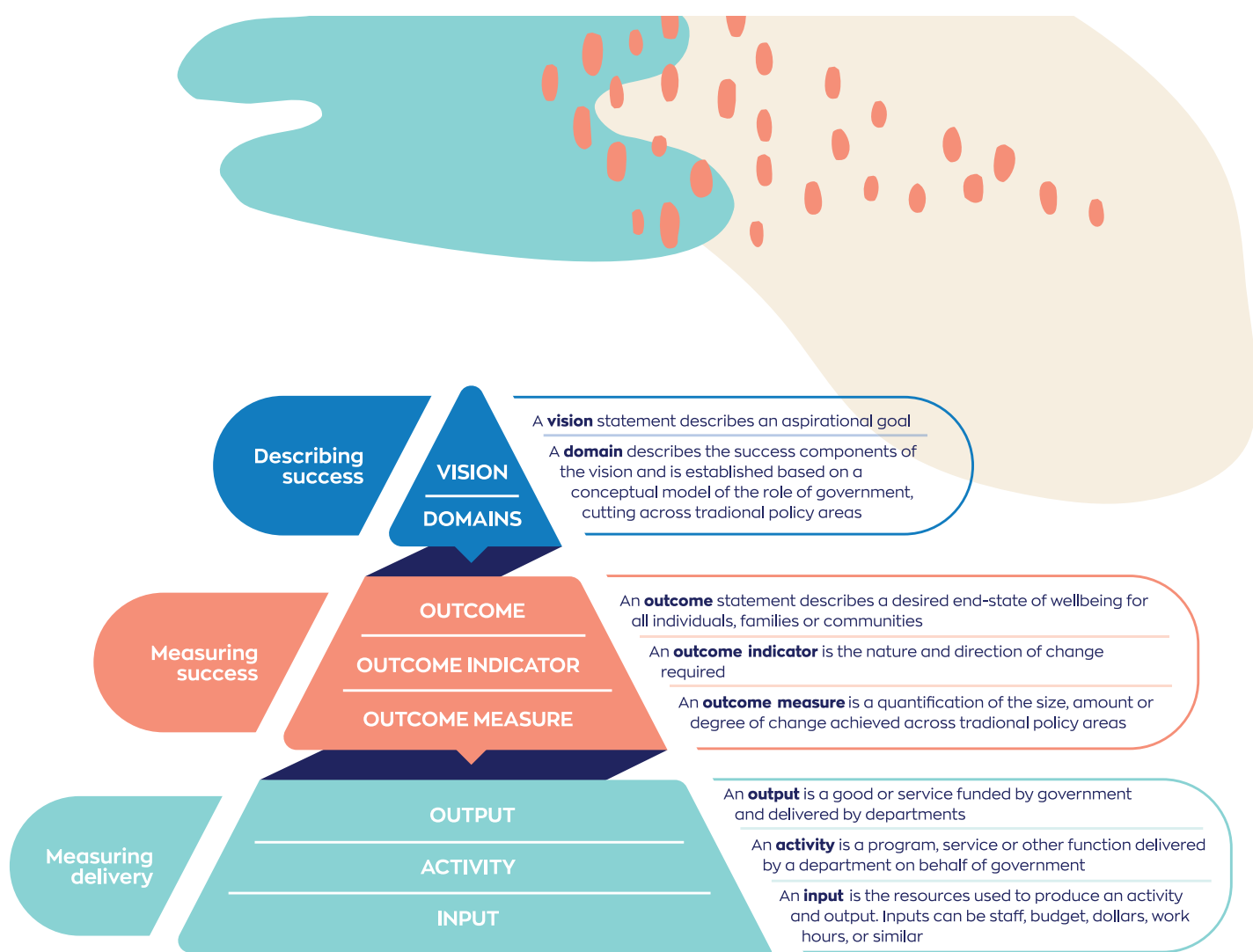


Figure 1 Victorian Government Outcome Framework Diagram

1.3 Agency objectives (outcomes)

In previous Corporate Plans, we have focused on the delivery of outputs such as activities, products or services. However, through our projects and programs we deliver significant community value and tracking our output achievement does not provide all of the evidence of what has been achieved for the region’s natural resources and community. In order to improve our capacity to tell the story of the contribution our programs make to the desired end-state of improved wellbeing for all individuals, families or communities, we have shifted to a focus on outcomes.

The Victorian Government’s public-sector reform agenda has established an Outcome Framework for all government agencies. The Outcome Framework promotes consistent approaches and language as well as consistent measurement systems (See Figure 1 above).

The outcomes-based approach to government focuses on actual results achieved, rather than inputs and outputs. A focus on outcomes provides a clear line of sight from investment through to success.

Table 1 outlines what the North Central CMA will do to achieve the top two tiers of the Victorian Government Outcome Framework through our 2018-19 Corporate Plan. Importantly it sets out how we will measure success against our vision and approach.

The outcomes and outcome indicators have been developed to enable us to tell the story about how we deliver on our business objectives and in turn, our vision and mission. It is intended that, the outcome indicators will be further refined with DELWP in 2018-19 and North Central CMA will report against the achievement of these outcome indicators in future annual reports.

The programs and projects delivered by the organisation in 2018-19 and beyond are detailed in Section 2 of this Corporate Plan. To demonstrate how each project contributes to the achievement of the outcomes, the outcome indicators relevant to that project have been listed. This provides a line of sight to demonstrate how a project contributes to the achievement of the organisation’s vision.

Table 1 **North Central CMA Business Outcome Framework**

Sustainably managed land, water and biodiversity resources that support productive and prosperous communities now and in the future

Domains	Outcomes	Outcome Indicators
Healthy Environment	1. Safe, sustainable and productive waterways	<ul style="list-style-type: none"> a. Increase health of waterways and catchments b. Increase health of riparian and wetland vegetation c. Increase in community and partner understanding of waterway statutory obligations
	2. Productive, resilient and effective land management	<ul style="list-style-type: none"> a. Increase sustainable management of private and public land b. Reduce salinity impacts to Murray-Darling Basin
	3. Linked, healthy, resilient and biodiverse environment	<ul style="list-style-type: none"> a. Increase condition of native habitats b. Increase native habitat extent c. Increase in the conservation outlook for health and resilience of native species d. Increase land manager commitment to stewardship
Enabled and active communities	4. Engaged and active communities	<ul style="list-style-type: none"> a. Increase community involvement in delivery of natural resource management and disaster prevention activities
	5. Working in partnership with Traditional Owner and Aboriginal groups to deliver NRM outcomes	<ul style="list-style-type: none"> a. Increase partnerships working with Traditional Owners and Aboriginal communities
	6. Working in partnership with government and industry to deliver NRM outcomes	<ul style="list-style-type: none"> a. Increase use of integrated catchment management and planning b. Increase coordination in delivery and reporting
Knowledgeable organisation and informed communities	7. Working in partnership to drive better decision making	<ul style="list-style-type: none"> a. Increase partner, community and Traditional Owner involvement in decision making b. Increase consideration of climate change impacts in planning
	8. Informed communities	<ul style="list-style-type: none"> a. Increase community understanding of natural resource management b. Increase information available to partners and the community
Responsive and effective organisation	9. Working to reduce the impacts of disasters and other emergency events	<ul style="list-style-type: none"> a. Maintain support and advice to regional and incident emergency teams before, during and after an emergency event or disaster. b. Fulfil statutory roles in floodplain management to prepare and protect the community
	10. Effective, safe and high performing organisation	<ul style="list-style-type: none"> a. Increase staff satisfaction and engagement b. Increase workplace safety and staff wellbeing c. Increase performance and accountability d. Increase workplace diversity and inclusion

Planned programs, services and infrastructure delivery

The North Central CMA's approach to programs and service delivery is designed to ensure:

- Investment priorities align with those of the Victorian and Australian Governments.
- Continued implementation of the RCS and sub-strategies.
- Outcomes are delivered through the most efficient business processes.
- All activities are monitored and evaluated through the project life cycle.
- Best practice project management methodology.
- Alignment with the Strategic Document Framework and Organisational Performance Framework.

Victorian Government Policy Priorities

In May 2018, the Minister for Water issued North Central CMA a letter outlining expectations and performance priorities to align with the following nine Victorian government priority policy areas.

- Climate Change
- Waterway and Catchment Health
- Water for Agriculture
- Community engagement and partnerships
- Resilient and liveable cities and towns
- Recognise and support Aboriginal cultural values and economic inclusion in the water sector
- Recognise recreational values
- Leadership, diversity and culture

Business outcomes detailed in Section 1.3 align with these priority areas and our programs outlined below will ensure that we continue to improve our performance and are able to demonstrate our value to the community.

Regional Catchment Strategy

The North Central RCS is the key planning document that sets regional priorities for the management of natural resources across the region to strengthen the links between rivers, landscapes and people. A range of sub-strategies provide further detailed guidance to the activities of the North Central CMA. While much of the organisation's activity is managed through separate programs as described below, an integrated approach is taken to the management of NRM assets consistent with the objectives of the North Central RCS, the Loddon Campaspe Irrigation Region Land and Water Management Plan, the 2014-22 North Central Regional Waterway Strategy and other relevant theme-based strategies. The North Central Climate Change Adaptation and Mitigation Plan, along with the North Central Regional Sustainable Agriculture Strategy, strengthen the strategic planning approach for achieving enduring environmental change across north central Victoria by factoring in the vulnerability of different assets to the climate change predictions for the region.

To deliver on various strategies the North Central CMA has established a range of projects and programs that organise and drive the operational activity of the organisation.

The nature and scope of the North Central CMA's projects and programs contribute to the achievement of its business objectives and business outcomes. These are delivered through Delivery, Business Improvement and Business Development programs to ensure quality outcomes are achieved.

2.1 Delivery program

The North Central CMA is principally responsible for protecting and improving the health of the region's natural resources through partnerships in-line with the RCS and its approved plans and sub-strategies, and delivering its statutory responsibilities for waterway, rural drainage and floodplain management.

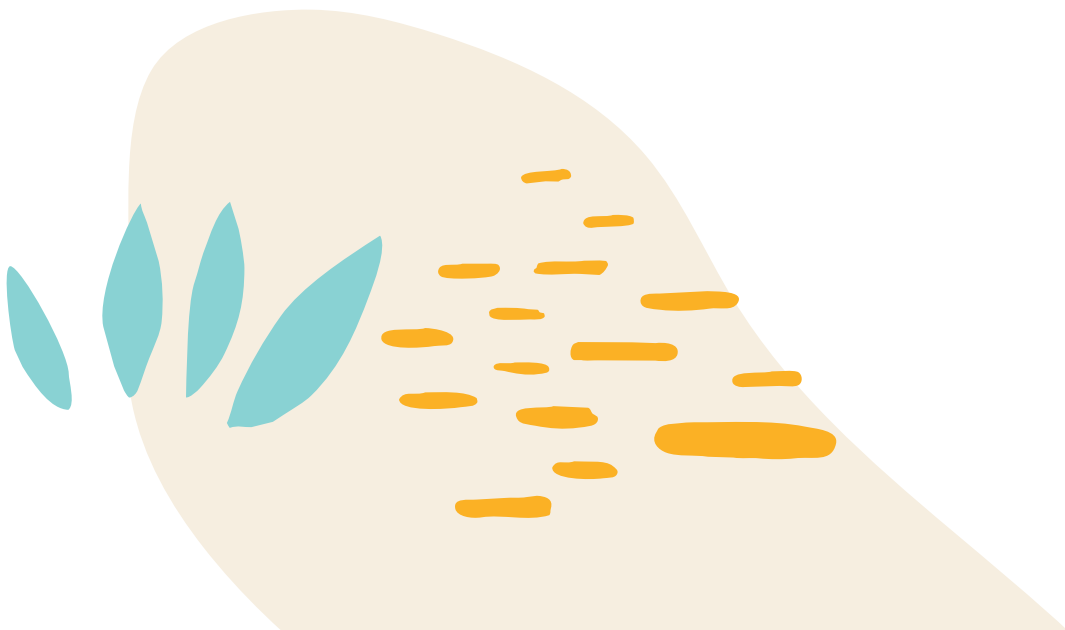
Business units within the North Central CMA are:

- Environmental Assets
- Environmental Water
- Sustainable Agriculture
- Community Engagement and Strategy
- Statutory Functions and Floodplain Management
- Corporate Services

The Delivery Program for each business unit is described below along with the contribution each activity makes to the Business Outcomes detailed earlier in the Corporate Plan.



Projects	Describes that nature and scope of the projects to be delivered over the Corporate Plan period
Outcome indicators	Identifies the Domains and Outcomes (refer Table 1) that this project contributes to. Bolded Outcome indicators are those to which the project contributes most strongly
CMA Strategy	Establishes strategic importance of the project
External Strategy	Regional, Victorian or Australian Strategy or Program to which this project contributes
Outputs	Describes the standard outputs that are in scope for the planned project



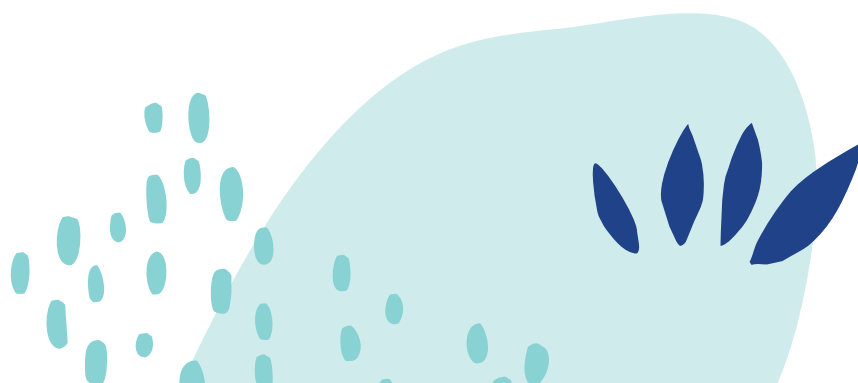
Environmental assets

The Environmental Asset program is responsible for delivering a broad range of projects aimed at improving the health of waterways, wetlands and biodiversity within our region. The program delivers on the priorities identified within the Regional Catchment Strategy, the North Central Waterway Strategy, and a range of international environmental obligations. The program also works closely with the broader north central Victorian community and key Traditional Owner groups to help build capacity for delivering NRM and recreational outcomes across the region.



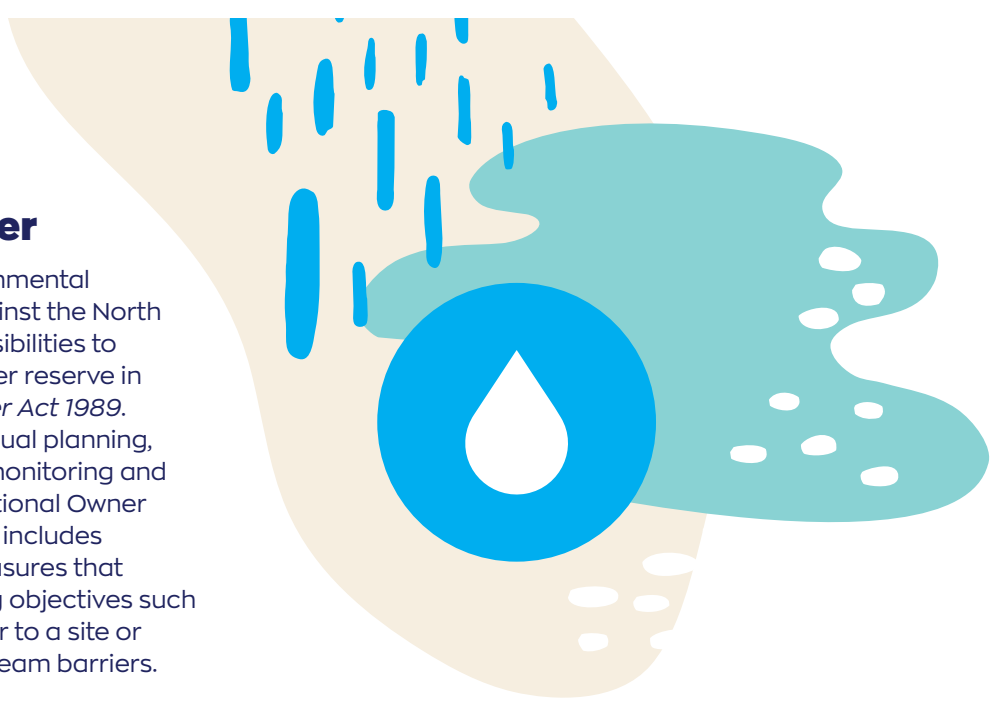
Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Delivering Riparian Priorities				
Delivers a range of activities to improve waterway health, build capacity and support our community through a large river restoration project (Caring for the Campaspe) and Landcare support initiatives on riparian land as part of the annual Community Grants program	1a, 1b, 2a, 3a, 3b, 3c, 3d, 4a, 5a, 6a, 6b, 7a, 7b, 8a, 8b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> Water for Victoria Regional Riparian Action Plan Victorian Waterway Management Strategy 	<ul style="list-style-type: none"> Fence Vegetation Weed Control Grazing Management Agreement Engagement Event Partnership Publication
Delivering OGW (On Ground Work) Priorities				
<ul style="list-style-type: none"> Restore native fish populations through the Native Fish Recovery project Continue sharing ideas, transferring knowledge, and collaborating on initiatives with the Dja Dja Wurrung Improves riparian conditions and management of Birch's Creek and the Upper Coliban waterways using traditional waterway management approaches and strategic partnerships and initiatives. 	1a, 1b, 3a, 3b, 3c, 3d, 4a, 5a, 6a, 6b, 7a, 7b, 8a, 8b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> Water for Victoria Regional Riparian Action Plan Victorian Waterway Management Strategy 	<ul style="list-style-type: none"> Waterway Structure Monitoring Structure Fence Vegetation Grazing Weed Control Earthworks Management Agreement Assessment Engagement Event
Protecting Investment and Building Capacity				
Enhance river health outcomes achieved throughout the catchment by ensuring previous works are being maintained and where possible improved by landholders	3d, 4a, 8a, 8b	North Central Regional Catchment Strategy	Victorian Waterway Management Strategy	<ul style="list-style-type: none"> Assessment Partnership Information Management system

Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Threatened Species				
Increase the extent and quality of wetland habitats to contribute to the recovery of the Australian bittern and growling grass frog	1a, 1b , 3a, 3b, 3c , 3d, 4a , 5a, 7a, 7b	North Central Regional Catchment Strategy	<ul style="list-style-type: none"> • Victorian Waterway Management Strategy • Australian Government Threatened Species Strategy • Australia's Biodiversity Strategy 	<ul style="list-style-type: none"> • Vegetation • Fence • Weed Control • Grazing • Earth works • Management Agreement • Waterway Structure Assessment
Ramsar Wetlands				
Improves the ecological character of the Kerang Wetlands and the Gunbower Forest through traditional on-ground works such as revegetation and pest control. This project will strengthen regional partnerships around monitoring and management	1a, 1b , 3a, 3b, 3c , 3d, 5a, 6a , 6b, 7a, 7b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> • Victorian Waterway Management Strategy • Australia's Biodiversity Strategy • Australian Pest Animal Strategy 	<ul style="list-style-type: none"> • Assessment • Weed Control • Pest Management • Partnership • Management Agreement
Grasslands				
Protects and enhances high quality plains wanderer grassland habitat on private land and in partnership with public land managers	1a, 1b, 3a , 3b, 3c , 3d, 4a , 5a, 6a, 6b, 7a, 7b, 8a, 8b	North Central Regional Catchment Strategy	<ul style="list-style-type: none"> • Australian Government Threatened Species Strategy • Australia's Biodiversity Strategy 	<ul style="list-style-type: none"> • Grazing • Fence • Management Agreement • Weed Control • Vegetation • Assessment • Engagement Event



Environmental water

The core business of the Environmental Water program is to deliver against the North Central CMA’s statutory responsibilities to manage the environmental water reserve in our region pursuant to the *Water Act 1989*. This includes long-term and annual planning, adaptively managing delivery, monitoring and extensive community and Traditional Owner engagement. The program also includes management of works and measures that support environmental watering objectives such as infrastructure to deliver water to a site or allow fish passage through instream barriers.



Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Environmental Water Management				
<ul style="list-style-type: none"> Manages specific Victorian Environmental Water Holder entitlements for the Campaspe River (including the Coliban River), Loddon River System (including Tullaroop, Serpentine and Pyramid creeks) and 14 Central Murray and Mid Loddon wetlands, and seven Wimmera Mallee Pipeline wetlands Collaborates with key partners, provide input to water policy, deliver technical investigations Ensures shared benefits for Traditional Owner Groups cultural values, key recreational users and the regional economy Manage flow related issues in unregulated catchments as required 	<p>1a, 1b, 1c, 3a, 3c, 4a, 5a, 6a, 6b, 7a, 7b, 8a, 8b</p>	<p>North Central Regional Waterway Strategy</p>	<ul style="list-style-type: none"> Water for Victoria Victorian Waterway Management Strategy 	<ul style="list-style-type: none"> Water Assessment Engagement Event Partnership Plan Publication
Environmental Works and Measures				
<ul style="list-style-type: none"> Undertakes investigations, planning and works to improve the management of environmental water and/or enhance its outcomes through the following projects over the next four years Tang Tang Swamp delivery infrastructure: approvals and construction 	<p>1a, 1b, 3a, 3c, 3d, 5a, 7a, 7b</p>	<p>North Central Regional Waterway Strategy</p>	<ul style="list-style-type: none"> Water for Victoria Victorian Waterway Management Strategy 	<ul style="list-style-type: none"> Waterway structure Assessment

Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
The Living Murray 'Flooding for Life'				
Provides environmental flows to Gunbower Creek and restores regular flooding to Gunbower Forest through a combination of environmental watering, engineering works, monitoring, indigenous partnership programs and community engagement	1a, 1b, 1c, 3a, 3c , 3d, 4a, 5a, 6a, 6b, 7a, 7b, 8a, 8b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> Water for Victoria Victorian Waterway Management Strategy Murray Darling Basin Plan Gunbower Forest EWMP (MDBA produced) 	<ul style="list-style-type: none"> Water Assessment Engagement Event Partnership Plan Publication
Guttrum Benwell Forest Sustainable Diversion Limit Offsets				
Reinstates a more natural flooding regime for the forest, particularly to address the reduced frequency and duration of floods by delivering water to the forest and semi-permanent wetlands via inlets and levees to contain water on the floodplain	1c, 1b, 3a, 3c, 3d , 5a, 6b, 7a, 7b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> Water for Victoria Victorian Waterway Management Strategy Murray Darling Basin Plan 	<ul style="list-style-type: none"> Assessment Partnership Plan
Gunbower Forest Sustainable Diversion Limit Offsets				
<ul style="list-style-type: none"> Enables the delivery of environmental water to the wetlands and forest of the Gunbower National Park to mimic a natural flood event, including delivering water to almost half of the permanent and temporary wetlands and river red gums with flood dependent understorey Enhances infrastructure and channels to enable the provision of water to land that can currently not be watered by any other infrastructure 	1c, 1b, 3a, 3c, 3d , 5a, 6b, 7a, 7b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> Water for Victoria Victorian Waterway Management Strategy Murray Darling Basin Plan 	<ul style="list-style-type: none"> Assessment Partnership Plan



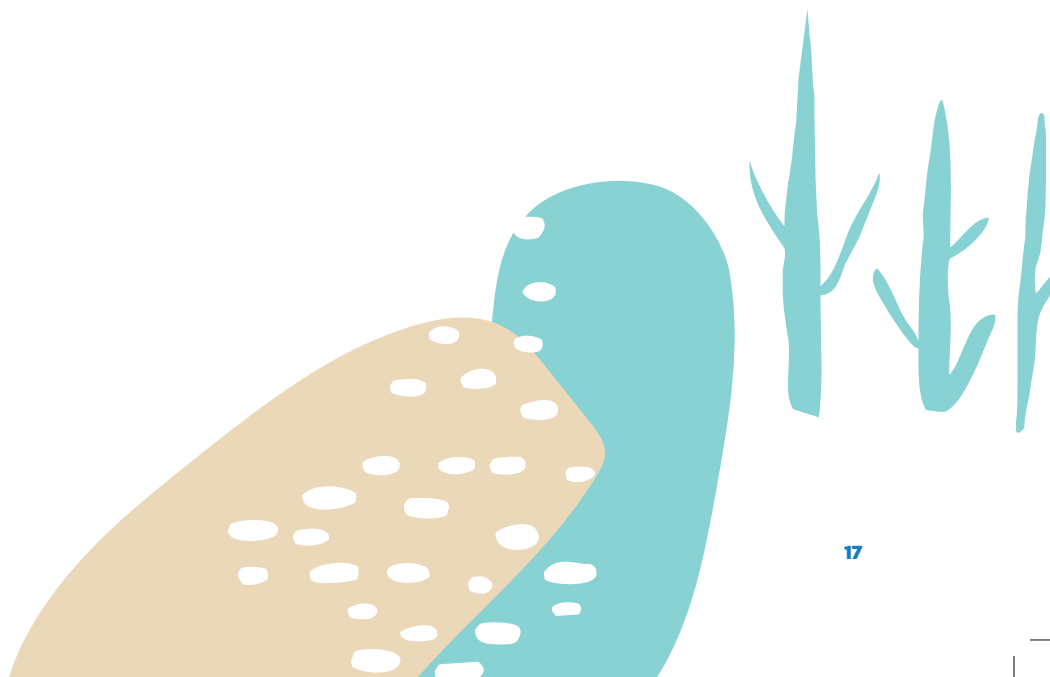
Sustainable agriculture

The Sustainable Agriculture program works with communities and partner agencies to achieve productive farming while protecting the natural resource base. It delivers regional priorities identified in the North Central Region Sustainable Agriculture Strategy that supports agriculture across north central Victoria. By protecting the regional assets of land and soils; waterways, floodplains and wetlands; consumptive water available for irrigation; agricultural livestock and crop health; natural biodiversity; atmosphere and people in agriculture from the pressures that agricultural practices put on the condition of these assets.



Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Healthy Productive Irrigated Landscapes				
<ul style="list-style-type: none"> Implements the Loddon Campaspe Irrigation Region Land and Water Management Plan: Develops, coordinates and monitors an irrigation region Land and Water Management Plan and Drainage Management Plan Supports development and management of water-use licences and associated Ministerial determinations Takes responsibility for changes to Water-Use Objectives and Standard Conditions (including section 51 licence amendments) Develops and implement Irrigation Development Guidelines Convenes and coordinate State Environment Protection Policy obligations for surface drainage to reduce river impacts Land and Water Management Plan Renewal 	1a, 1b, 2a , 2b,3a, 3c,3d, 4a , 6a, 6b , 7b, 8a, 8b	Loddon Campaspe Irrigation Region Land and Water Management Plan	<ul style="list-style-type: none"> Murray Darling Basin Salinity Management Strategy 2030 Murray Darling Basin Plan Water for Victoria 	<ul style="list-style-type: none"> Channel Approval and advice Assessment Partnership Plan Publication
Reporting and Accounting for Salinity				
<ul style="list-style-type: none"> Contributes to the Implementation of the Murray Darling Basin Salinity Management Strategy (BSM2030) Manages accountable actions for MD BSM2030 Salinity Register entries within the north central Victoria Contributes to Victoria's Annual Murray Darling Basin Salinity Management Strategy Report 	1a , 2a, 2b , 4a, 6b	Loddon Campaspe Irrigation Region Land and Water Management Plan	<ul style="list-style-type: none"> Murray Darling Basin Salinity Management Strategy 2030 Murray Darling Basin Plan Water for Victoria 	<ul style="list-style-type: none"> Approval and advice Assessment Partnership Publication

Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Regenerative Agriculture				
Increases the capacity of north central Victorian agricultural communities to achieve practice change adoption for soil, biodiversity and vegetation improvements	1a, 1b, 2a , 2b,3a, 3c, 3d , 4a , 6a, 6b, 7b, 8a, 8b	North Central Victoria Regional Sustainable Agriculture Strategy	<ul style="list-style-type: none"> National Soil R,D & E Strategy Victorian Soil Health Strategy Australia's Biodiversity Strategy 	<ul style="list-style-type: none"> Engagement event Plan Assessment Partnership
Plan2Farm				
Supports farming families to develop strategic plans with appropriate enterprise goals and make informed, confident and more timely farming decisions around farm layout and design; irrigation upgrades; infrastructure optimisation; water entitlements and tariffs; land area and configuration; agriculture type and scale; the people involved (family and labour); and if necessary, to exit farming with dignity	1a, 1b, 2a , 2b,3a, 3c,3d, 4a , 6a, 6b , 7b, 8a, 8b	<ul style="list-style-type: none"> Loddon Campaspe Irrigation Region Land and Water Management Plan North Central Victoria Regional Sustainable Agriculture Strategy 	<ul style="list-style-type: none"> Water for Victoria 	<ul style="list-style-type: none"> Partnership Assessment Plan Engagement event



Community engagement and strategy

The Community Engagement and Strategy program provides support and leadership across community focused projects and programs. A key part of the program is supporting Landcare Networks and Groups, administration of Landcare grants, delivering the citizen science Waterwatch program and coordinating the North Central CMA Indigenous Program.



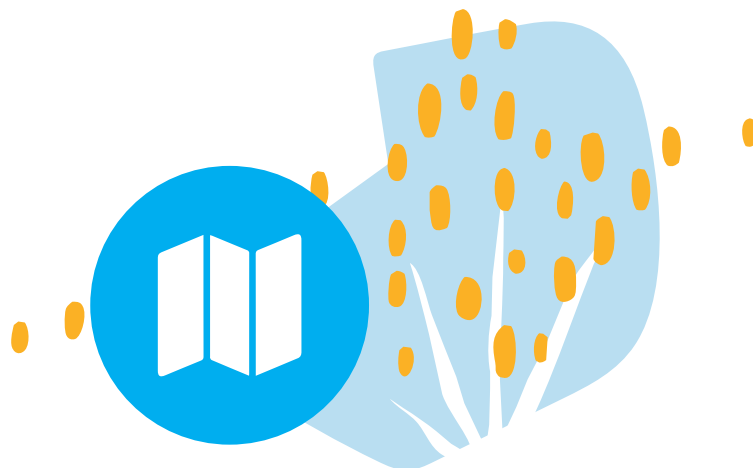
Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Victorian Landcare Grants & State Landcare Facilitator				
<ul style="list-style-type: none"> Undertakes Landcare grants process annually to provide funding to local Landcare priorities Supports Landcare groups and Landcare networks to undertake local NRM 	1a, 1b, 2a, 3a, 3b, 3c, 3d, 4a , 5a, 7a, 7b, 8a , 8b	North Central CMA Landcare Support Plan 2014-18	<ul style="list-style-type: none"> Victorian Landcare Program Review Action Plan Australian Pest Animal Strategy Australian Weeds Strategy Australian Framework for Landcare Community Call for Action Threatened Species Strategy EPBC Act 	<ul style="list-style-type: none"> Fence Vegetation Weed Control Pest Grazing Engagement event Visitor facility Publication
Regional Agricultural Landcare Facilitator				
Directly supports rural, regional and urban communities, including Indigenous Australians to improve ecological conditions, farm sustainability and build resilience around changing climate and market demands	2a , 3d, 4a , 5b, 7a, 7b, 8a , 8b	<ul style="list-style-type: none"> North Central CMA Landcare Support Plan 2014-18 North Central Victoria Regional Sustainable Agriculture Strategy 	<ul style="list-style-type: none"> Australian Pest Animal Strategy Australian Weeds Strategy Australian Framework for Landcare Community Call for Action Threatened Species Strategy EPBC Act 	<ul style="list-style-type: none"> Engagement event Partnership Publication
Waterwatch				
Works with community volunteers and schools to monitor waterways across the region	1c, 3d, 4a , 5a, 6a, 6b, 7a, 8a , 8b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> Water for Victoria Victorian Waterway Management Strategy 	<ul style="list-style-type: none"> Assessment Engagement Event Plan Publication Information management system

Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
River Detectives Program				
Works with primary schools to improve environmental understanding of our waterways	1c, 3d, 4a , 5a, 6a, 6b, 7a, 8a , 8b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> • Water for Victoria • Victorian Waterway Management Strategy 	<ul style="list-style-type: none"> • Assessment • Engagement Event • Plan • Publication • Information management system
Our Catchment Our Communities				
Works with the community, government agencies and stakeholders to deliver integrated catchment management outcomes that align to the Regional Catchment Strategy	1a, 1b, 1c, 2a, 3a, 3b, 3c, 3d, 4a , 5a, 6a , 6b, 7a , 7b, 8a, 8b	North Central RCS	<ul style="list-style-type: none"> • Our Catchments, Our Communities Integrated Catchment Management in Victoria 2016-19 	<ul style="list-style-type: none"> • Fence • Vegetation • Weed control • Management agreement • Assessment • Engagement event • Partnership • Plan
Water for Indigenous				
Works with Traditional Owners to improve participation in the Victorian water planning and management frameworks through consultative structures that address the rights and interests of Victorian Traditional Owners	1c, 3d, 4a , 5a , 6a, 6b, 7a , 7b, 8b	North Central Regional Waterway Strategy	<ul style="list-style-type: none"> • Water for Victoria • National Water Initiative • The Living Murray 	<ul style="list-style-type: none"> • Assessment • Publication • Engagement event



Statutory functions and floodplain management

The Statutory Functions and Floodplain Management program provides advice and support to local government and the community about flooding risks associated with new development. The Regional Floodplain Strategy was finalised in 2017-18 which will provide the region with actions to manage the risk of flooding into the future.



Projects	Outcome Indicators	CMA Strategy	External Strategy	Outputs
Administration of Statutory Functions				
<ul style="list-style-type: none"> • Provide advice to the community, development industry and local government about the potential impacts of flooding • Protect waterways from the impacts of third party works through the Works on Waterway Permit Scheme 	1c, 4a, 7a, 7b, 8a, 8b, 9a, 9b,	North Central Regional Floodplain Management Strategy	<ul style="list-style-type: none"> • Victorian Floodplain Management Strategy 	<ul style="list-style-type: none"> • Approval and advice • Information Management System
Regional Floodplain Management Strategy Implementation				
Support local government, DELWP, VicSES and the community to implement the priorities of the Regional Floodplain Management Strategy (RFMS)	4a, 7a, 7b, 8a, 8b, 9a, 9b		<ul style="list-style-type: none"> • Victorian Floodplain Management Strategy 	<ul style="list-style-type: none"> • Engagement event • Plan • Publication



2.2 Business improvement program

With a commitment to continual improvement and organisational development, the North Central CMA identifies and delivers a targeted suite of business improvement initiatives each year, some of which are the focus of effort over multiple years and some of which are shorter term. These initiatives focus on the people and

culture, the processes and systems and the approaches and strategies that support our NRM activities, and are informed by various sources including the Minister's Letter of Expectations and an external Organisational Performance Excellence review completed in 2017.

Actions	Outcome Indicators	Time-frame
MERI Improvement		
<ul style="list-style-type: none"> Organisational Performance Framework (See Section 3.2) has been developed to define success and how it is measured. The organisation will develop measures for monitoring organisational efficiency, supported by a clear strategy and actions for achieving efficiency improvements. The OPF will be formally rolled out to staff and embedded across the organisation by 30 June 2019. Continue to improve our MERI approach to enable better communication of outcomes 	6a, 8b, 10a, 10c	2018-19 to 2019-20
Reconciliation Action Plan		
The North Central CMA is committed to partnering with our Traditional Owners and Aboriginal stakeholders. This program includes the development and implementation of a Reconciliation Action Plan and a cultural competency assessment and development program	4a, 5a, 7a, 8a, 10a, 10c, 10d	2018-19 to 2019-20
Innovation and Development		
Formalises the organisations approach to innovation and ongoing business development	6a, 6b, 7a, 7b, 10a, 10c	2018-19 to 2019-20
Systems Improvement		
<ul style="list-style-type: none"> ICT Strategy – North Central CMA developed an Information Communication Technology (ICT) Strategy in 2017-18. This Strategy provides guidance to the organization on the direction for technology related investment during the 2017-20 period Regional Catchment Strategy System GIS Improvement with a focus on improving external access to spatial information 	4a, 6a, 6b, 7a, 7b, 8a, 8b, 10a, 10c	Ongoing
Leadership Capability Program		
<ul style="list-style-type: none"> The North Central CMA's people are our most important asset. Through this program we will build organisational capability by fostering talent and developing leadership capabilities across all levels the organisation. We will identify required leadership competencies aligned to our Statement of Corporate Intent and develop a program to build these competencies in our people, with a focus on ensuring appropriate diversity across all layers of the organisations 	10a, 10b, 10c, 10d	Ongoing
Risk Management		
<ul style="list-style-type: none"> Continue to improve our approach to risk management including the health and safety of our staff 	10a, 10b, 10c	Ongoing
Diversity and Inclusion		
<ul style="list-style-type: none"> Implementation of our Diversity and Inclusion strategy. Focusing on our key objectives; <ul style="list-style-type: none"> Embed diversity in the way we work Foster Indigenous partnerships, Championing gender representation Cultivating wellbeing and resilience 	10a, 10b, 10c, 10d	2018-19 to 2020-21
Catchment Partnership Development		
<ul style="list-style-type: none"> Working with regional agencies and local government to coordinate natural resource management planning, investment and delivery 	5a, 6a, 6b, 7a, 7b, 8b	Ongoing

2.3 Business development program

Our business development program proactively develops new opportunities for our Delivery program by identifying and developing project concepts and business cases that respond to regional needs.

A 2017-18 target in the Corporate Plan was to identify and develop future growth opportunity projects to ensure an aligned and strategic view of our strategies and plans with a diverse funding landscape and position the region for sustained and increased investment in natural resource management activities.

The development of all projects follows a consistent approach to ensure the above outcomes are always achieved. The Project Management Framework is the culmination of several pieces of work and formalises the 'Line of Sight' model into a set of templates, supporting processes and approvals that underpin our Business Development Program. Described below in Figure 2 is the Project Management Framework, with key templates, decision points and action steps.

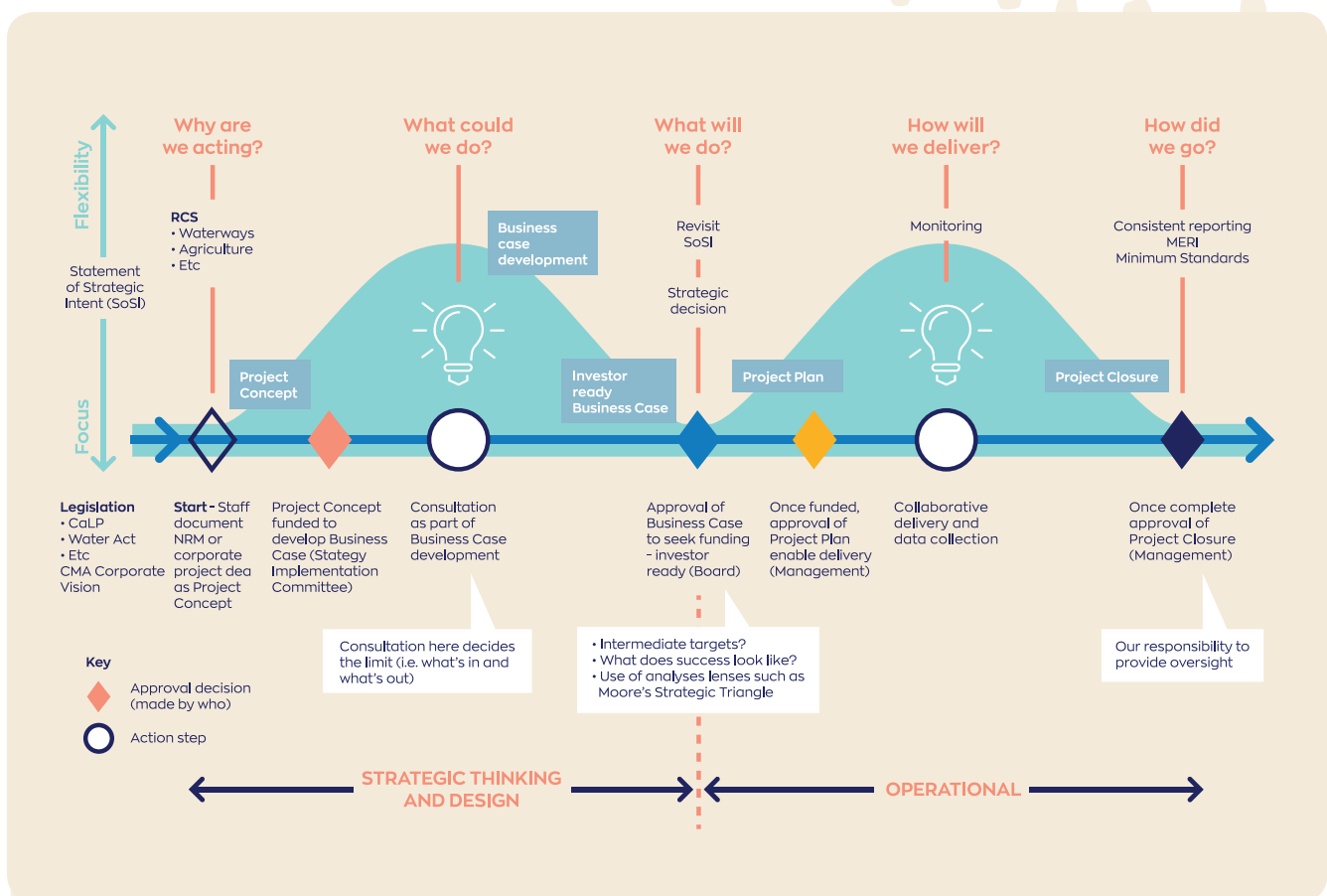


Figure 2 Project Management Framework

Five project business cases have been developed with this approach to position the region for new NRM opportunities. These projects include:

- **Carbon offsets** – develop a successful working model that can be expanded more broadly as a partnership approach to offer carbon credits to a range of investors through a variety of carbon sequestration (terrestrial and aquatic), biodiversity, and soil health programs as a packaged solution for landholder and institution participation.
- **Connected Nature** – advance an innovative approach to reconnecting wetlands and forests to natural flooding via the distributary systems that supply water to them – removing barriers to reinstate natural flow paths – to improve biodiversity and cultural values within the landscape and increase floodplain storage to mitigate impacts on agricultural land.
- **Traditional Owner Engagement** – using employment pathways and self-determination strategies, whilst also creating training and skill development, the CMA will build upon its experience to increase the capacity and capability for Aboriginal people to participate in natural resource management that align with Country Plans and/or aspirations.
- **Sustainable Farming Model** – the concept is to have farming systems that adopt practices that match with the local conditions to match land use to land capability. A replicable model for investing in agricultural enterprises that embeds profitability, sustainable farming techniques and best environmental practice. Opportunities will be identified for investment in areas to achieve sustainable agriculture and protect priority natural resource assets in the catchment.
- **Soil Health** – build on the success of projects that improve the skills and capacity of land managers to improve soil health; to undertake trials and provide opportunities for knowledge exchange; to provide peer to peer learning or work with individuals to change practices; and to improve the integration between natural resource managers and agriculture industries to achieve more efficient and effective agricultural viability and sustainability.



North Central CMA has developed the following future projects targets to ensure the organisation is well positioned for funding opportunities:

- Three solid project concepts per year
- Two business cases developed per year
- One business case approved per year

The above targets do not include the business-as-usual projects such as environmental flows, statutory functions, Waterwatch, Landcare, etc. It is likely that in 2018-19 there will be an emphasis to position the CMA for the next round of EC5 (DELWP – Environmental Contribution Funding Tranche 5). Projects such as the next large-scale river restoration priority and removal of barriers to environmental flow delivery will be explored.

In 2018-19 we will also work with the Catchment Partners Forum to create a regional NRM prospectus that presents a compelling picture of a short list of new NRM opportunities that have the support of regional partners.

Future challenges and opportunities

At the North Central CMA has a strong and genuine focus on the opportunities and challenges, both positive and negative, that may impact the organisation's ability to achieve its objectives.

In meeting its strategic priorities, the CMA will take every opportunity to build sustainable and mutually beneficial partnerships with communities, Traditional Owners, partner organisations and landholders. To do this, the focus is building Board, staff and community capabilities to ensure the North Central CMA is known as a leader in integrated catchment management.

The North Central CMA will embrace innovation and change to ensure the organisation maintains its sector leadership through this work. It will seek all opportunities to deliver better stakeholder outcomes. Service will be informed by quality research, science, local knowledge and traditional knowledge.

The following describes a range of specific challenges and opportunities and corresponding strategies to meet service demands and outcomes as well as three future focused key initiatives that are at the heart of how the North Central CMA operates, measures business performance and manages risk. These latter initiatives ensure that the organisation is positioned to respond to unforeseen challenges and opportunities.

3.1 Specific challenges and opportunities

While the future will undoubtedly present some unexpected challenges and opportunities, over the life of this Corporate Plan some are more predictable and are likely to inform the future direction and work of the organisation. These challenges, opportunities and *strategies* are discussed briefly below to ensure the North Central CMA meets service demands and outcomes.

Maximising regional NRM investment: Investment in NRM through the North Central CMA fluctuates in response to Government policies and programs. In the North Central region there is a strong and collaborative network of government, industry and community organisations well positioned to create new and expand existing NRM programs, provide regional advocacy and access more diverse NRM investment. *The opportunity for the organisation is to coordinate a proactive approach to securing additional investment by applying a regional, strategic view of NRM and leveraging networks.*

Maintaining our Delivery Program at optimum scale and seeking efficiencies: This Corporate Plan is developed with an outlook towards a period of some uncertainty. Based on current knowledge the CMA projects a decline in the scale of its Delivery Program below the optimum delivery program of at least \$15M. *The North Central CMA has a clear view of future growth opportunities for the organisation and will actively pursue these through investor engagement in an effort to address this projected decline. The CMA will also pursue business efficiencies as a matter of best practice, and to maximise the outcomes achieved to ensure the organisation is resilient to a longer-term reduction in Delivery Program scale.*

Regional Catchment Strategy renewal: The North Central Regional Catchment Strategy (RCS) is due for renewal by 2020. The North Central RCS provides a long-term vision for the region and sets out natural resource priorities for the next six years. *Involving the Traditional Owners, community, stakeholders and key agency partners in the review and renewal of the RCS will be a key focus. Significant effort will be placed on embedding Traditional Owners views and values into the RCS renewal and creating stronger links with Traditional Owner Country Plans.*

Climate change adaptation and mitigation: The North Central Climate Change Adaptation and Mitigation Plan guides how the region's natural resources are dealing with climate change. *Climate change adaptation and mitigation will be embedded into the renewal the North Central RCS and will continue to be embedded into the regional NRM programs.*

An emerging opportunity will be around how best to achieve increased carbon in the landscape and increased biodiversity outcomes. This can be achieved by targeting environmental carbon plantings in areas that will either increase or connect native vegetation providing and opportunity for flora and fauna to adapt to the changes in climate.

Traditional Owner engagement and empowerment: The CMA will continue to build relationships with the seven Traditional Owner groups in our region to achieve shared aspirations for healthy Country. *Programs will be developed together guided by key drivers including Recognition and Settlement Agreements, Country Plans, and our Reconciliation Action Plan. The North Central CMA will work in partnership to build two-way capacity and support Aboriginal and Torres Strait Islander people and organisations to take advantage of emerging opportunities including cultural flows.* These will contribute towards more equitable social and economic outcomes.

New large-scale river restoration programs: Waterway and catchment health has considerably increased throughout the catchment, with the organisation's 10-year Loddon Stressed River project and the current eight years of investment in the Caring for the Campaspe project being highlights. *Through the life of this corporate plan, the CMA will identify the next large-scale river restoration project.* As the population and urban centres continue to grow and availability of water becomes more limited to climate change, the organisation will use best available information to model and plan an integrated catchment management approach through close engagement with communities and Traditional Owners.

Realising the benefits of water for the environment: The organisation leads one of the largest programs in the state to connect rivers, wetlands and floodplains. Water for the environment is critical to protect the health of these locally, nationally and internationally significant assets, along with achieving social, cultural and economic benefits. Recreational values are often dependent on water availability, and there are clear cascading benefits for tourism opportunities and economic stimulus, particularly to our smaller rural towns and communities. *To further share the benefits of water for the environment, the CMA will undertake a program of complementary works to better connect communities to its rivers, wetlands and floodplains, so that they too can benefit from improved health and well-being.*

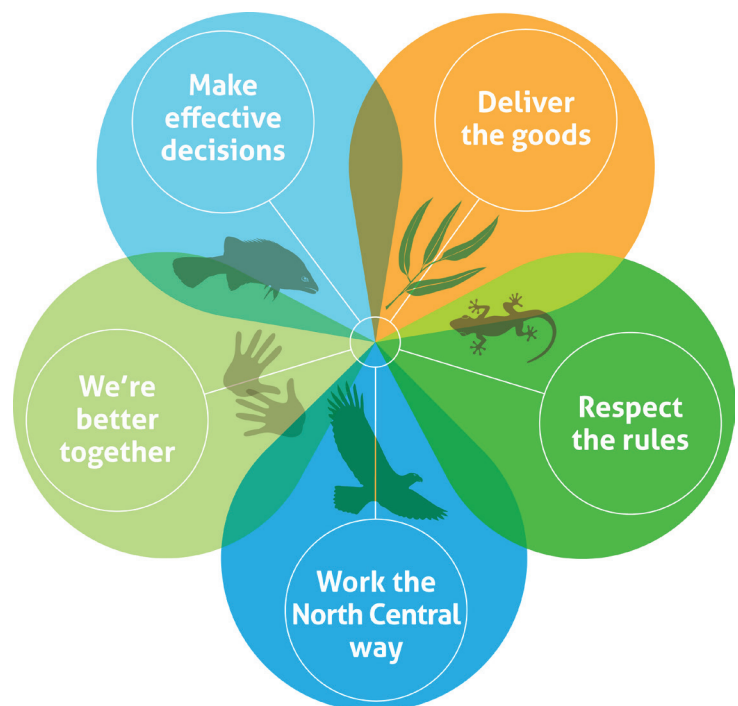
3.2 Anything but Standard

North Central CMA has developed an organisation standard and associated performance benchmarks. Anything but Standard is an integral part of the organisation's governance framework. It describes the operating culture and seeks to drive high performance through:

- Being at the heart of the way business is done, it pushes strategic thinking about how goals can be achieved effectively and efficiently.
- Providing a basis for assessing the diverse range of activities, projects and programs that the CMA delivers and reports on and;
- Prompting regular review of the results of assessments against the Standard to continually refine and improve the quality of service delivery.

This approach enables the CMA to measure achievement by asking the following questions:

- Have we made effective decisions?
- Did we deliver the goods?
- Have we respected the rules?
- Did we share the roles and the rewards?



3.3 Organisation Performance Framework (OPF)

The Organisation Performance Framework defines the North Central CMA’s success and how it is measured, particularly in the medium-term, across the entire range of organisational activity. The Organisational Performance Framework is intended to provide a small set (less than 20) of mid-term measures (2-9 years) to track performance against and between different organisational functional levels (from governance to people and knowledge development). It arose out of a series of monitoring, evaluation, reporting and improvement (MERI) related discussions, the Australian Organisational Excellence Framework review and Organisational Performance Expectations and recent work of the Strategy Implementation Committee.

Reporting against all available measures will be undertaken in the 2018-19 Annual Report. A timeframe for finalising any remaining measures will also be given. Once implemented, the Organisational Performance Framework is intended to collect data to enable:

- More effective attention and targeting of resources to actions that will create public value.
- A consistent, integrated overview of CMA performance as a platform for governance and management.
- Data and dialogue that enables individual and organisational learning and improvement, contributing to professional growth, pride in the CMA’s work, and job engagement.

Figure 3 describes the structure of the Organisational Performance Framework and articulates the 15 selected measures. Work will be undertaken over the next 12 months to finalise, test and review the measures, their data and reporting and usage approaches. Trends, where historical data is available, will be analysed.

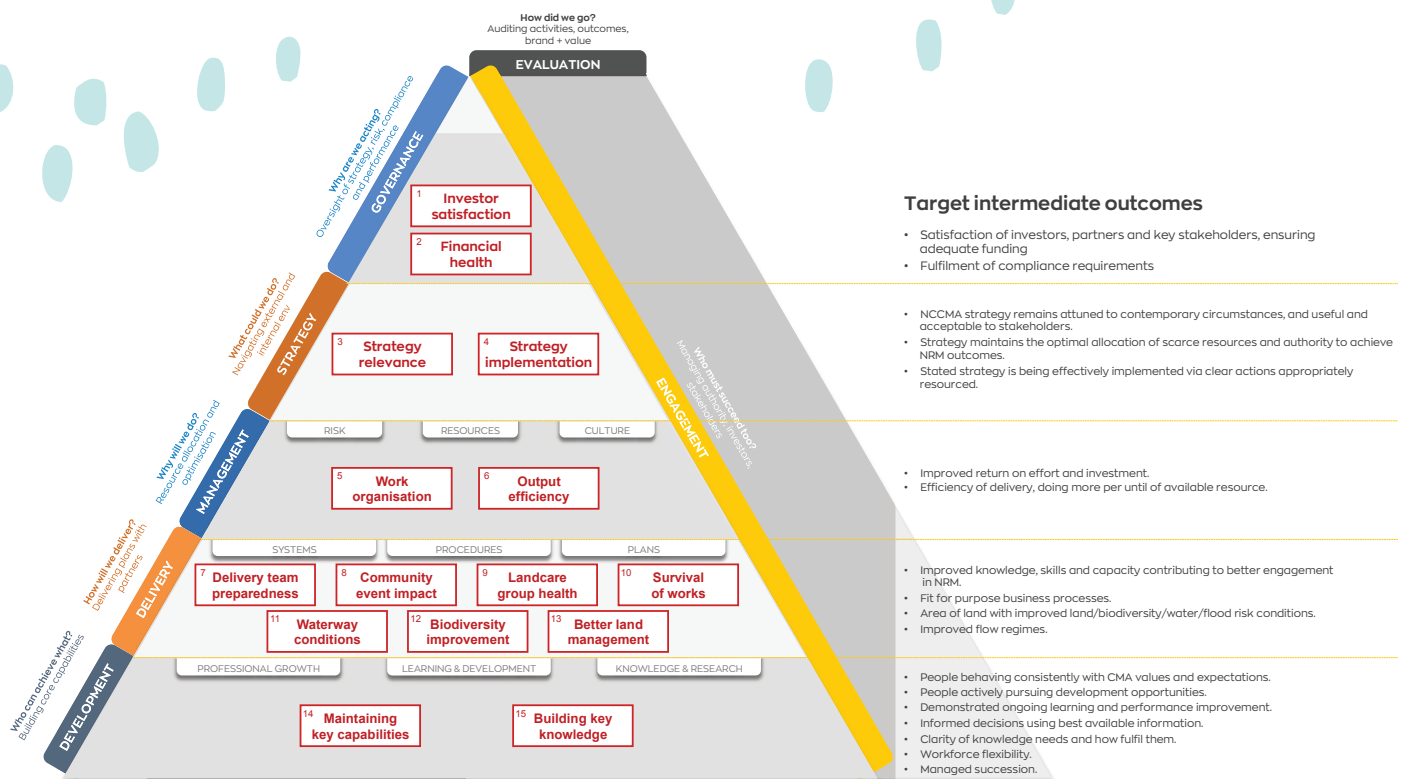


Figure 3 Organisational Performance Framework

Many of the measures proposed for the Organisational Performance Framework are aligned with the draft Outcomes Framework, described in Table 1. This places the North Central CMA in a sound position to begin reporting on outcomes, in alignment with Victorian government direction.

3.4 Risk management

To facilitate the achievement of the CMA’s mission and underlying strategic objectives, the Board and the Audit and Risk Committee support the development of robust risk management framework and risk culture.

Consistent with International Risk Management Standard AS/NZS ISO 31000:2009, the North Central CMA adopts the following definition of risk management:

The processes, systems and culture applied to manage the upside and downside of uncertainty on the strategic objectives of North Central CMA.

The North Central CMA considers risk management an important aspect of corporate governance and, therefore, a significant contributor to embedding its culture and values and, in turn, delivering on the organisation’s Vision.

The North Central CMA’s operations are underpinned by two key pieces of legislation and a set of statutory obligations. In addition, as an entity under the *Public Administration Act 2004*, there are further requirements to fulfil to ensure the expectations of Government and the Victorian Public Sector Commission are met.

3.4.1 Risk appetite statement

The North Central CMA’s Risk Appetite Statement is based on its mission to ‘create natural resource management partnerships and programs that deliver lasting change’. Accordingly, North Central CMA has established three core risk appetite themes:

- 1 Safety, Compliance and Governance**
(areas of low tolerance to risk; averse)
- 2 People, Operations and Performance**
(areas that balance risk and reward outcomes)
- 3 Leadership, Collaboration and Partnership**
(areas of increased appetite for risk taking; high rewards)

3.4.2 Business risks

In consultation with the Board, management has identified the high level organisational risks and mitigation controls.

The Audit and Risk Committee and Board review organisational risks as set out in the North Central CMA Risk Management Framework.

North Central CMA Risk Appetite Statement



North Central CMA – ‘Our willingness to take risk’



Risk	Mitigation controls
<p>Reputational damage, loss of support and failure to meet strategic intent resulting from misunderstanding or poor execution of goals and objectives due to poor engagement with government, landholders, indigenous community and stakeholders.</p>	<ul style="list-style-type: none"> • Engagement strategy • Identification of key stakeholders • High risk appetite for community engagement and empowerment • Measuring success from engagement
<p>Significant workplace incident or accident resulting in significant/permanent injury or death to employee or contractor resulting from lack of OH&S management and reporting.</p>	<ul style="list-style-type: none"> • Up to date procedures, templates and monitoring in place • OHS officer employed to provide expertise and mentoring • Training programs
<p>Stagnation of operations and failure to meet the innovation strategy and become known as industry innovation leaders due to absence of innovation and ideas.</p>	<ul style="list-style-type: none"> • High risk appetite for new ideas and initiatives • Empowering community capability a key performance metric
<p>Bad publicity and loss of reputation, goodwill, and good faith with the indigenous community due to inappropriate treatment and/or access to indigenous sites resulting from lack of understanding, planning and awareness of such sites.</p>	<ul style="list-style-type: none"> • Embedded into project planning considerations • Strong relationships with traditional owners • Cultural awareness training for staff
<p>System failure, business disruption, data leakage and reputational damage leading to data loss, manipulation, virus impacts and storage concerns resulting from poorly designed and/or supported IT tools and technology.</p>	<ul style="list-style-type: none"> • IT strategy in place to ensure future planning • Significant staff knowledge of software and hardware • External support
<p>Incorrect statutory planning advice resulting in approval of inappropriate developments, legal action and reputational damage, due to lack of experienced staff and/or inadequate infrastructure.</p>	<ul style="list-style-type: none"> • Highly skilled and knowledgeable team • Goods tools and processes in place
<p>Inability to meet our 'desire to lead' and 'innovation' due to lack of focus and strategy around VMIA's Interagency and State-wide risk regime.</p>	<ul style="list-style-type: none"> • Good relationship with other agencies • Involvement in interagency forums, groups and discussions • Interagency risk discussions taking place
<p>Poor financial decision making or fraud resulting in an inability to meet budgets and poor investor experience resulting from lack of financial controls, oversight and governance.</p>	<ul style="list-style-type: none"> • Highly skilled team • Strong controls, review and segregation of duties • Good systems and processes • External and internal audits • Audit Committee oversight
<p>Inability to operate efficiently resulting in disruptions to strategic objectives due to insufficient staff capability, corporate knowledge and skill sets.</p>	<ul style="list-style-type: none"> • Highly skilled workforce • Capability framework in place • Low staff turnover • Strong culture
<p>Regulatory failure and resulting in financial penalties, reputational damage and exposure arising from lack of awareness or understanding of regulations and laws.</p>	<ul style="list-style-type: none"> • Strong knowledge of regulations and legislation in government • Strong culture and Board focus towards compliance • Good policies and procedures in place • Audit Committee oversight

Estimates of revenue and expenditure

This Corporate Plan includes confirmed projects and related funding, proposed/potential funding based on likely but unconfirmed programs and an allowance for unknown funding that inevitably becomes available from year to year.

Funding can fluctuate significantly from year to year and therefore the North Central CMA must be flexible in its delivery approach to be able to maximise investment opportunities when they arise.

Phase One of the National Landcare Program finishes at the end of 2017-18 which makes up approximately 20 per cent of the North Central CMA's funding. This Corporate Plan assumes this Program will continue beyond that date at a reduced amount.

Revenue for 2018-19 is expected to be \$12.672 million. The amount of unspent project funds expected to be carried into 2018-19 is \$6.852 million. This is reflected in the cash balance of \$7.446 million, including \$1 million on investment.

Estimated expenditure for 2018-19 has taken into consideration known factors around the Enterprise Bargaining Agreement, and corporate operating costs. Total expenditure is expected to be \$15.644 million, which is higher than revenue. This is reflective of a considerable amount of project funding from previous years being spent on project delivery in 2018-19.

The approach for 2018-19 and beyond is to take a relatively conservative approach on revenue by including confirmed funding and including income with a high likelihood of receipt. This results in projected revenue and expenditure projecting at \$13 million for the 2019-20 and 2020-21 financial years, which is a reduction in the previous financial years' actual and expected results.

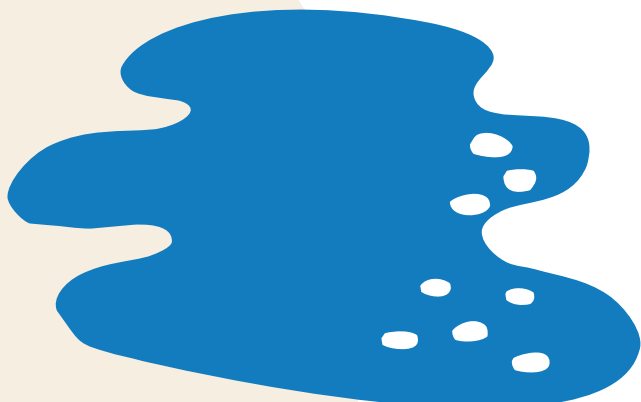
Minimal corporate deficits have been proposed, and the operating deficit in 2018-19, (which is reflective of a considerable amount of projects being funded from previous year's income), is expected to return to surplus in 2019-20 and 2020-21.

Forecasts for corporate and support functions, capital expenditure and cash flow have been managed to ensure a sound financial position is maintained.



4.1 Programs budget

Income (\$000)							Expenditure (\$000)	Carry-over (\$000)
	Investor Program Reference	Carry-forward from last year	Victorian Government funding	Australian Government Funding	Other funding	PROGRAM TOTAL	PROGRAM TOTAL	Carry-over to next year
Environmental Assets	C2, C3, C4, C5, O1, O2, O3, O4, S5, S8	\$1,452	\$1,803	\$1,883	\$1,280	\$6,418	\$5,498	\$920
Environmental Water	C1, C6, S1, S5, S7	\$1,087	\$1,275	\$1,583	\$0	\$3,945	\$3,914	\$31
Sustainable Agriculture	C2, C3, C4, C5, O2, S4	\$2,664	\$1,809	\$0	\$32	\$4,505	\$2,314	\$2,191
Community Engagement and Strategy	S2, S5, S6, S7	\$1,138	\$506	\$0	\$0	\$1,644	\$1,331	\$313
Floodplain Management and Statutory Functions	S4, S5	\$511	\$1,473	\$0	\$0	\$1,984	\$1,165	\$819
Total		\$6,852	\$6,866	\$3,466	\$1,312	\$18,496	\$14,222	\$4,274



Income assumptions (Investor Programs for the forthcoming financial year (\$000))

Investor Program Reference	Victorian Government	Program Title	\$000
S1	DELWP	Environmental Water Program	\$1,100
S2	DELWP	Our Catchments Our Communities	\$436
S3	DELWP	Vic Sustainable Irrigation	\$1,809
S4	DELWP	Floodplain Management	\$1,176
S5	DELWP	Waterway Health Program	\$2,265
S6	DELWP	Regional Landcare Coordination	\$10
S7	DELWP	Aboriginal Water	\$60
S8	Victorian Environmental Water Holder	Victorian Environmental Water Holder	\$10

Sub Total **\$7,586**

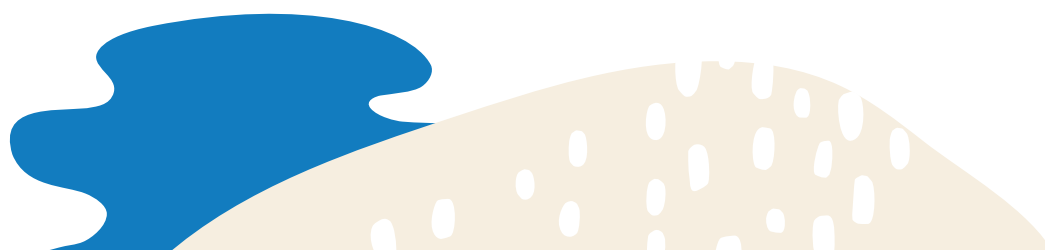
Investor Program Reference	Australian Government	Program Title	\$000
C1	Murray Darling Basin Plan	The Living Murray	\$1,183
C2	National Landcare Program 2	Core Services	\$419
C3	National Landcare Program 2	Plains for Wanderers	\$707
C4	National Landcare Program 2	Bringing Back the Bittern	\$407
C5	National Landcare Program 2	Regenerative Agriculture in North Central Victoria	\$350
C6	Murray Darling Basin Plan	Sustainable Diversion Limits	\$400

Sub Total **\$3,466**

Investor Program Reference	Other	Program Title	\$000
O1	Coliban Water	Kyneton Offsets Project	\$1,000
O2	Goulburn Murray Water	Hipwell Road Revegetation	\$32
O3	Coliban Water	Upper Coliban Project	\$250
O4	Goulburn Broken CMA	Tri-State Alliance	\$30

Sub Total **\$1,312**

Total **\$11,644**

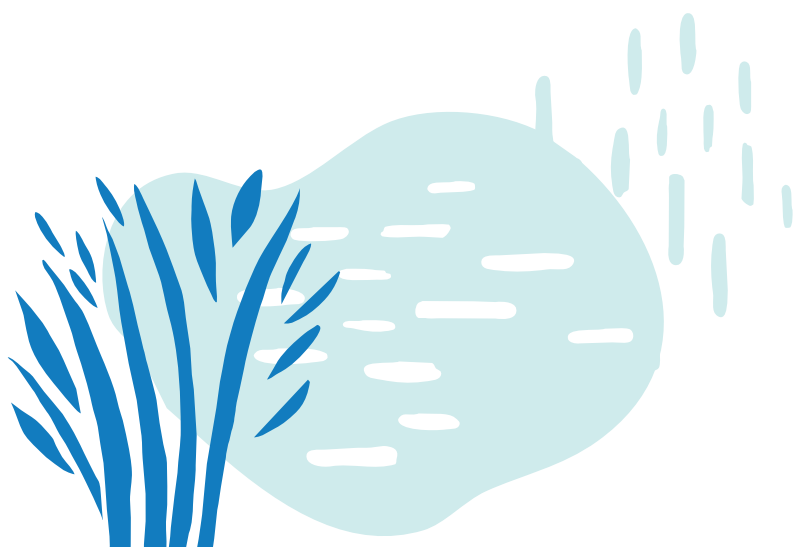


4.2 Operating statement

Actual 2016/17 \$ 000's	Operating Statement	Forecast 2017/18 \$ 000's	Budget 2018/19 \$ 000's	Forecast 2019/20 \$ 000's	Forecast 2020/21 \$ 000's
	Statutory Operations				
987	Corporate Funding	935	795	795	795
145	Interest	140	123	100	100
90	Other (includes staff secondments)	94	110	100	100
	Project Funding				
	State Government				
1,110	Victorian Water Group (VIF/EC) - Statutory	1,110	1,110	1,110	1,110
6,929	Victorian Water Group (VIF/EC) - Other	5,558	4,884	5,384	5,384
1,284	Victorian Common Fund Agreement	2,035	872	1,000	1,000
254	Other	411	0	0	0
	Commonwealth Government				
2,689	National Landcare Programme	2,729	1,883	1,883	1,883
934	The Living Murray	1,216	1,183	1,200	1,200
1,038	Murray Darling Basin Plan	0	400	500	500
452	Biodiversity Fund	0	0	0	0
135	Action on the Ground	0	0	0	0
0	Sustainable Diversion Limits	189	0	0	0
226	Other	0	0	0	0
	Other Funding				
147	Water Corporations	134	1,282	150	150
70	Local Government	5	0	0	0
0	Other	864	30	1,300	1,300
16,490	Total Revenue	15,420	12,672	13,522	13,522
	Expenditure				
	Corporate & Statutory Operations				
203	Board	192	219	197	197
122	Community Leaders Group	89	72	65	65
509	Chief Executive Officer & support	409	412	371	371
619	Strategic Initiatives	156	0	0	0
1,787	Corporate Services	2,037	2,122	1,720	1,720
712	Fleet & Accommodation	741	614	553	553
350	Engagement & Strategy	945	1,111	1,000	1,000
(2,444)	Recovery from Project Programmes	(3,387)	(3,127)	(2,750)	(2,750)
14,511	Project Programmes	14,660	14,221	12,000	12,000
16,369	Total Expenditure	15,842	15,644	13,156	13,156
121	Operating Surplus (Deficit)	(422)	(2,972)	366	366
31	Profit/(Loss) on Disposal of Assets	43	50	50	50
152	Total Surplus	(379)	(2,922)	416	416

4.3 Cashflow statement

Actual 2016/17 \$ 000's	Cash Flow Statement	Forecast 2017/18 \$ 000's	Budget 2018/19 \$ 000's	Forecast 2019/20 \$ 000's	Forecast 2020/21 \$ 000's
	Cash Flows from Operating Activities				
	Receipts				
987	Corporate Funding	935	795	795	795
128	Interest	168	123	100	100
794	Net GST Recieved from ATO	874	750	750	750
74	Other (includes staff secondments)	96	109	100	100
	Grants				
9,670	Receipts from State	8,996	7,116	7,214	7,494
5,566	Receipts from Commonwealth	4,018	3,633	3,628	3,633
216	Receipts from Other Investors	303	1,312	1,450	1,450
	Payments				
(11,621)	Payments to suppliers	(10,693)	(9,741)	(7,914)	(7,746)
(6,058)	Payments to employees and staff costs	(6,398)	(5,963)	(6,300)	(6,300)
(238)	Net cash provided by operation activities	(1,701)	(1,866)	(177)	276
	Cash Flows from Investing Activities				
(323)	Payments for purchase of fixed assets & intangibles	(194)	(200)	(200)	(200)
173	Proceeds on disposal of fixed assets & intangibles	275	300	300	300
(1,000)	Purchase of investments	0	0	0	0
(1,150)	Net Cash used in investing activities	81	100	100	100
(1,388)	Net increase (decrease) in cash held	(1,620)	(1,766)	(77)	376
9,454	Cash at the beginning of the financial year	8,066	6,446	4,680	4,603
8,066	Cash at the end of the financial year	6,446	4,680	4,603	4,979



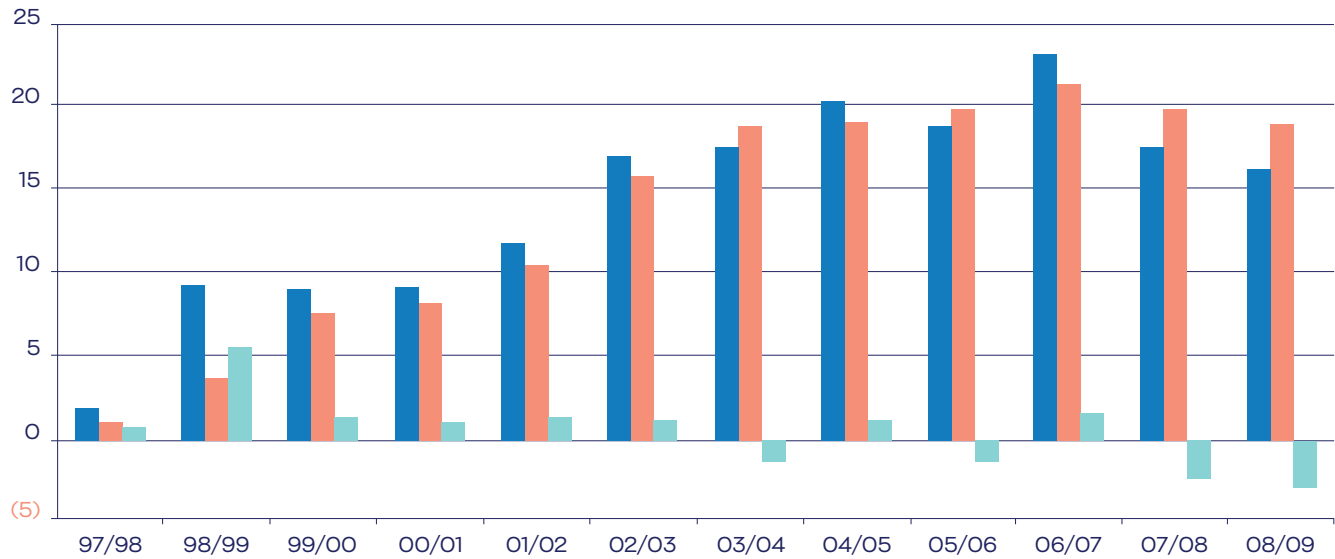
4.4 Balance sheet

Actual 2016/17 \$ 000's	Balance Sheet	Forecast 2017/18 \$ 000's	Budget 2018/19 \$ 000's	Forecast 2019/20 \$ 000's	Forecast 2020/21 \$ 000's
	Assets				
	Financial Assets				
8,066	Cash/Deposits	6,446	4,680	4,603	4,979
1,000	Investments & Other Financial Assets	1,000	1,000	1,000	1,000
171	Investments & Accrued Revenue	1,103	837	1,222	1,212
165	Prepayments	76	100	100	100
	Non-Financial Assets				
2,270	Fixed Assets	1,993	1,689	1,386	1,082
11,672	Total Assets	10,618	8,306	8,311	8,373
	Liabilities				
	Current Liabilities				
1,259	Accounts Payable & Accrued Expenses	820	1,483	1,325	1,326
1,378	Employee Provisions	1,381	1,464	1,464	1,464
	Non Current Liabilities				
93	Employee Provisions	94	94	94	94
2,730	Total Liabilities	2,295	3,041	2,883	2,884
8,942	Net Assets	8,323	5,265	5,428	5,489
	Equity				
229	Contributed Capital - 1/7/1997	229	229	229	229
8,527	Contributed Capital - surplus transfer	8,527	8,527	8,527	8,527
768	Asset Revaluation	830	876	922	969
(582)	Accumulated Surplus (Deficit)	(1,263)	(4,347)	(4,250)	(4,236)
8,942	Total Equity	8,323	5,265	5,428	5,489

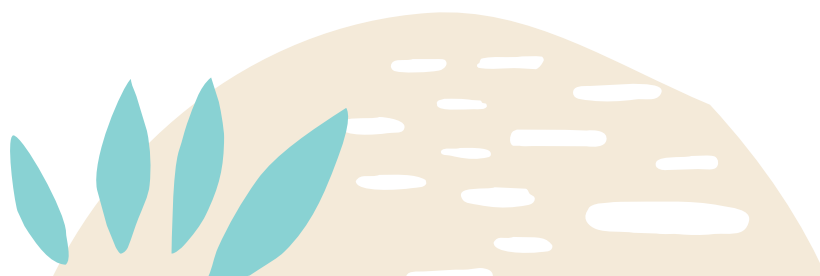
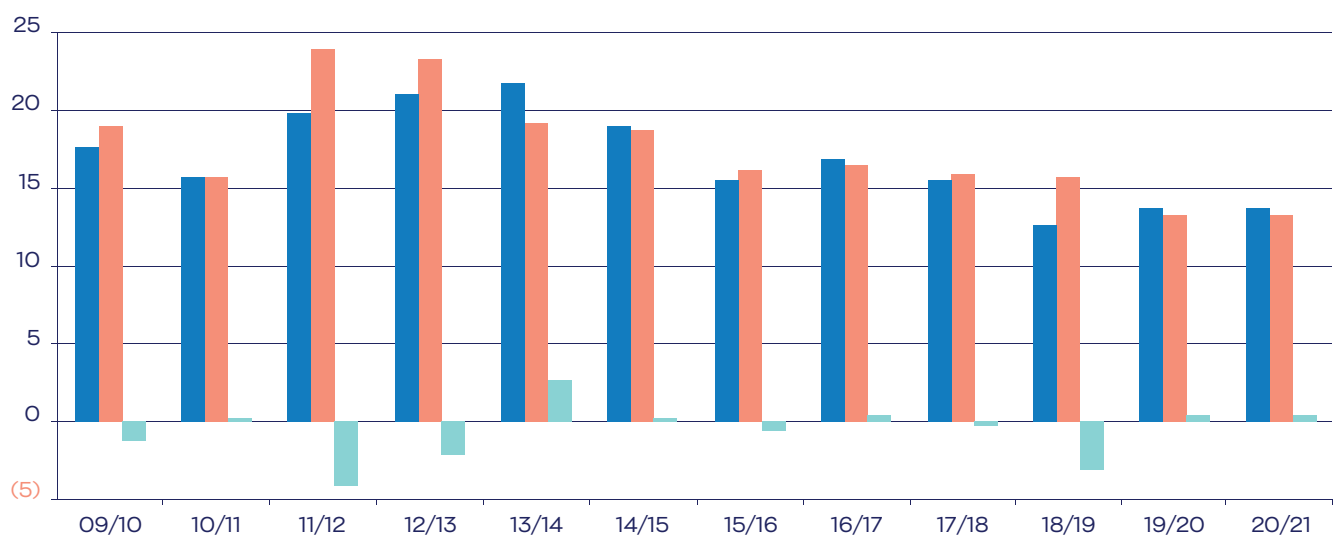
4.5 Estimated capital expenditure

Actual 2016/17 \$ 000's	Movement in Fixed Assets	Forecast 2017/18 \$ 000's	Budget 2018/19 \$ 000's	Forecast 2019/20 \$ 000's	Forecast 2020/21 \$ 000's
2,424	Opening Written Down Value	2,270	1,993	1,689	1,386
(335)	Depreciation	(300)	(300)	(300)	(300)
323	Additions	193	200	200	200
0	Revaluation	62	46	47	46
-142	Disposals at Written Down Value	(232)	(250)	(250)	(250)
2,270	Closing Written Down Value	1,993	1,689	1,386	1,082

4.5.1 Summary of financial results and forecasts 1997-98 to 2019-20 (\$ millions)



- Total Revenue from Ordinary Activities
- Total Expenditure from Ordinary Activities
- Surplus for the Year from Ordinary Activities



4.6 Notes

4.6.1 Corporate programs and cost recovery

To deliver NRM and statutory functions, the North Central CMA must have corporate systems and services in place such as human resource management, finance, ICT, communications and governance. The Victorian Government provides \$0.8 million (2017/18 \$0.9 million). Corporate charges are considered annually by the Board as part of the budget process and are based on a full cost recovery model.

Business and system improvements providing productivity gains have enabled the North Central CMA to continue to keep corporate charges at a low level.

4.6.2 Service fees and charges

The North Central CMA can charge fees for services provided in accordance with the Department of Treasury and Finance Cost Recovery Guidelines. The Authority does not currently charge any fees for services.

4.6.3 Compliance with Australian Accounting Standards

The North Central CMA prepares the annual general purpose financial report in compliance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the Financial Management Act and applicable Ministerial Directions.

4.6.4 Depreciation and amortisation

Depreciation is included in the financial statements. Rates for depreciation are determined by the expected useful life of the assets. In 2015-16, as per the Financial Reporting Direction (FRD) 103D, the five-year scheduled cycle for asset revaluations took place. In 2017-18, in accordance with the FRD, land was increased in line with indexations advised by the Department of Environment, Land, Water and Planning over the two-year period since the revaluations, and this increase was affected in the Balance Sheet at 30 June 2018. The offset was an increase in the Asset Revaluation Reserve.

4.6.5 Capital

The majority of capital expenditure for the North Central CMA relates to the replacement of motor vehicles in line with policy and safety requirements. The Plan includes an allocation of \$200k per year for this.

4.6.6 Key financial assumptions

The key financial assumptions that have been used in the development of the Corporate Plan are:

- Revenue based on current programs and expected future programs.
- 80 per cent of current NLP revenue for future years pending the outcome of the current bid process.
- Salaries and wages increase of three per cent in-line with the soon to be endorsed Enterprise Agreement.
- Corporate cost increases of two per cent factoring in some expected savings targets.
- No growth in project or corporate FTEs.
- Corporate cost recovery targeted towards a break-even position.
- Interest rates to remain constant.

Deficits represent the intent to deliver project funding carried forward from previous years.

4.6.7 Review of Corporate Plan

The Board monitors progress against the Corporate Plan objectives at its meetings. The North Central CMA's performance, as defined by the performance measures in the Corporate Plan, is reported in the Annual Report.

The strategic objectives are updated each year based on changes occurring in the operating environment, including:

- Changes in revenue
- The drive for more-cost-effective systems, processes and allocation of resources
- Ministerial direction
- Community feedback
- Catchment condition
- Government reform

