



**Port Phillip &
Westernport CMA**

*An environment for collaboration;
collaboration for the environment*

Corporate Plan 2016-17 to 2020-21

The office of the Port Phillip and Westernport Catchment Management Authority (PPWCMA) is located on the traditional lands of the Kulin Nation peoples and the PPWCMA wishes to acknowledge them as Traditional Owners. The PPWCMA pays its respects to the Elders, past and present, and the Elders from other communities residing in or visiting the region.

Port Phillip and Western Port Catchment Management Authority Corporate Plan 2016-17 to 2020-21

Published by Port Phillip and Westernport Catchment Management Authority, Frankston, April, 2016

www.ppwcm.vic.gov.au

Copyright © The State of Victoria, Port Phillip and Westernport Catchment Management Authority, 2016

This publication is copyright. Copying for non-commercial/non-profit purposes is permitted subject to the publication being copied entirely.

The Authority believes that the information contained in this publication is accurate and reliable at the date of printing. It is the responsibility of readers to avail themselves of the latest information and advice in respect of the information contained in this publication after this date. Any financial projections in this plan are intended to provide a simple forecast of estimated finances, costs and expenditure.

Disclaimer: This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

Contents

- 1. Vision..... 4
- 2. Statement of Corporate Intent and Business Plan..... 5
 - 2.1 Maintaining high standards of governance and business management and a healthy organisational culture7
 - 2.2 Coordinating implementation of the Regional Catchment Strategy and engaging with regional stakeholders and the community9
 - 2.3 Coordinating Government grants 11
 - 2.4 Supporting the Landcare movement..... 13
 - 2.5 Supporting sustainable land management..... 14
 - 2.6 Supporting sustainable agriculture..... 16
 - 2.7 Engaging Indigenous communities 18
 - 2.8 Coordinating the ‘Grow West’ project 19
 - 2.9 Coordinating the ‘Living Links’ project20
 - 2.10 Coordinating the ‘Yarra4Life’ project.....21
 - 2.11 Coordinating the ‘Greening the Maribyrnong’ project23
 - 2.12 Coordinating the ‘Ramsar Protection Program’24
 - 2.13 Coordinating the ‘Valuing our Volcanic Plains’ project25
 - 2.14 Coordinating the ‘Dandenong Ranges wildlife recovery, weed management and fuel reduction’ project.....27
- 3. Financial Statements 28
 - 3.1 Background28
 - 3.2 Revenue for 2016/17.....30
 - 3.3 Expenditure30
 - 3.4 Accounting policies30
 - 3.5 Financial reporting standards.....30
 - 3.6 Corporate expenses and project costing30
 - 3.7 Depreciation, amortisation and movement in classes of provisions31
 - 3.8 Cost recovery31
 - 3.9 Asset management31
 - 3.10 Capital expenditure31
 - 3.11 Assumptions underpinning the financial statements.....31
 - 3.12 Financial projections for 2016/1731
- 4. Summary of performance targets 37

1. Vision

The Port Phillip & Westernport Catchment Management Authority is a Victorian Government statutory authority working to enhance the health and resilience of the environment in this region.

We are responsible for:

- preparing the Regional Catchment Strategy and coordinating its implementation;
- promoting cooperation amongst key organisations in the management of the environment; and
- promoting community awareness and understanding.

We work mainly with Government agencies, the 38 Councils in the region, environmental organisations and community groups. We draw these organisations together to create a shared vision and strategy for the region's environment.

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

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

We generate collaboration with and between these organisations to ensure the strategy is implemented and the targets are achieved. We don't have 'authority' over them; instead we strive to create relationships in which they willingly collaborate. The PPWCMA aims to make working together more attractive and productive than working alone.

At a project level, we work closely with the Victorian and Australian Governments to secure funds for priority projects and we direct funds to many organisations to undertake the projects. We also coordinate delivery of some major, multi-stakeholder environmental projects such as Grow West, Yarra4Life and Living Links.

We play a lead role in supporting Landcare groups and networks, engaging Indigenous communities and contributing to sustainable land management and the sustainability of agriculture.

This Corporate Plan outlines the strategic directions and priority activities of the Port Phillip & Westernport CMA that will contribute to achieving collaboration amongst many organisations and communities and, ultimately, healthier ecosystems, catchments and bays.

2. Statement of Corporate Intent and Business Plan

The PPWCMA is one of 10 Catchment Management Authorities established by the Victorian Government and with the following statutory functions outlined in the *Catchment and Land Protection Act 1994*:

- Preparing a Regional Catchment Strategy and coordinating and monitoring its implementation;
- Promoting cooperation in the management of land and water resources;
- Advising on regional priorities and resource allocation;
- Advising on matters relating to catchment and land protection;
- Advising on the condition of land and water resources; and
- Promoting community awareness and understanding of the importance of land and water resources, their sustainable use, conservation and rehabilitation.

The PPWCMA believes the diversity and complexity of this region's environments and populations make integration and partnerships between its many stakeholders and managers critical to achieving the vision.

This Corporate Plan outlines the business objectives and priority activities of the PPWCMA that will contribute to achieving partnerships amongst the many organisations and, ultimately, achieving the vision.

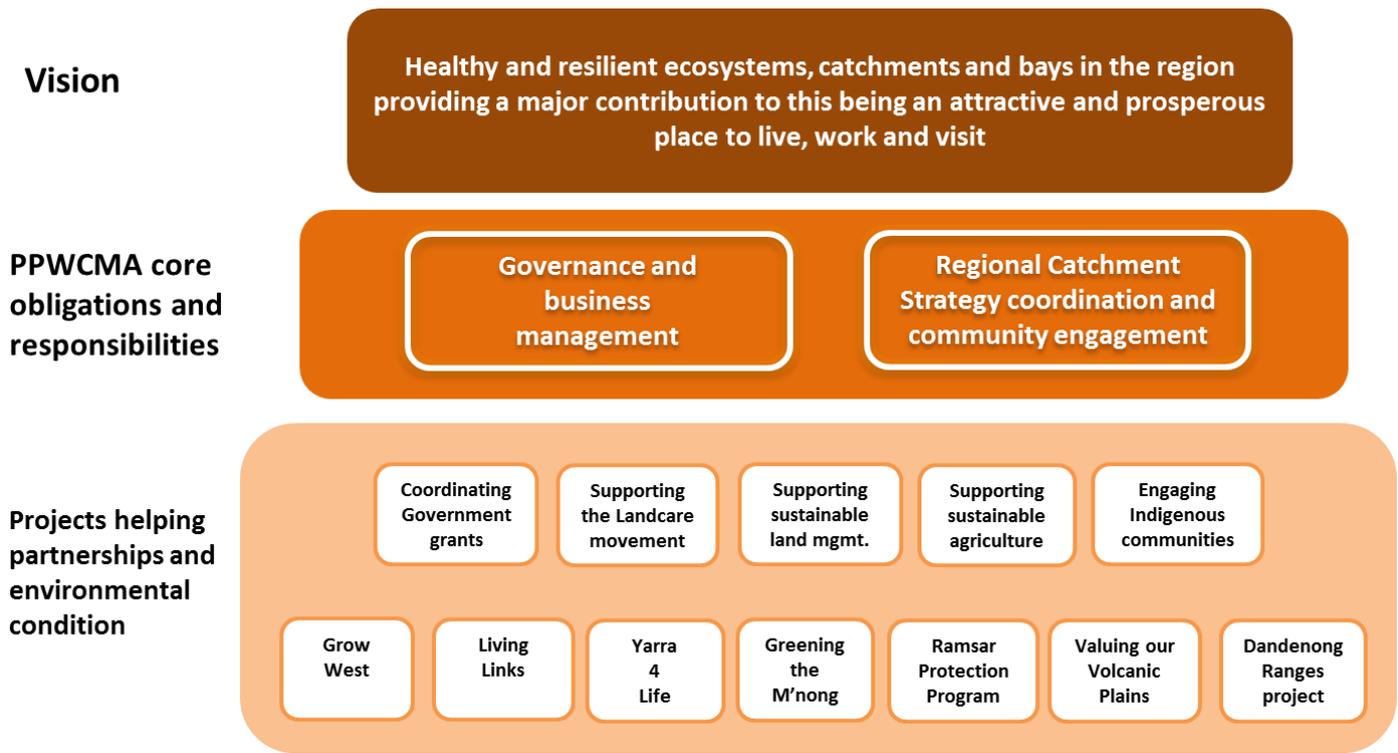
The PPWCMA's main business objectives for 2016/17 are:

- Coordinating implementation of the Regional Catchment Strategy and engaging with regional stakeholders and the community; and
- Maintaining high standards of governance and business management and a healthy organisational culture.

The PPWCMA is also committed to delivering a number of funded projects in 2016/17 which directly help partnerships amongst key organisations and deliver improved environmental conditions and sustainable production, namely:

- Coordinating Government grants;
- Supporting the Landcare movement;
- Supporting sustainable land management;
- Supporting sustainable agriculture;
- Engaging Indigenous communities;
- Coordinating the 'Grow West' project;
- Coordinating the 'Living Links' project;
- Coordinating the 'Yarra4Life' project;
- Coordinating the 'Greening the Maribyrnong' project;
- Coordinating the 'Ramsar Protection Program';
- Coordinating the 'Valuing our Volcanic Plains' project; and
- Coordinating the 'Dandenong Ranges' project contributing to wildlife recovery, weed management and fuel reduction.

Information to be provided to the Minister by the PPWCMA during 2016/17 – 2020/21 includes corporate plans, annual reports, Board performance reports and advice on significant matters such as plans relevant to this region.



Following is a description of each of the PPWCMA's main areas of work including the specific performance targets in each for 2016/17.

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

Business context and resourcing

The PPWCMA is committed to achieving high standards of corporate governance, business management and organisational culture and complying with all financial management, governance, human resource management and sustainability standards required of a Victorian Government statutory authority.

The PPWCMA will achieve this by:

- Maintaining vigilance with all business practices;
- Ensuring the PPWCMA is professional and accountable in delivering its governance and risk management responsibilities;
- Maintaining a corporate culture of professionalism, accountability and transparency; and
- Maintaining high levels of staff commitment and morale.

Revenue to fulfil the PPWCMA's legislative responsibilities and corporate obligations in 2015/16 totals \$737,000 from the Victorian Government provided as a 'corporate allocation'. Of these funds, the PPWCMA will direct \$597,000 (supplemented by additional funds carried forward from 2015/16) to fulfil governance and business management responsibilities including employing the Board and supporting the organisation with executive and business management services. The other \$140,000 is directed to fulfilling the Regional Catchment Strategy coordination and community engagement responsibilities (see Section 2.2).

Performance targets for 2016/17

- Submit a Board performance assessment report according to any guidelines issued.
- A risk management strategy/plan approved by the Board and being implemented.
- One hundred per cent of the CMA's policies reviewed and approved by the Board every three financial years.
- Full compliance with all applicable Standing Directions under the Financial Management Compliance Framework Checklist.

Business approach

In regard to business practices, governance and risk management, the PPWCMA maintains regular, detailed reporting at Board level and a program of internal and external auditing. Auditing over many years has consistently reported high standards of management.

To monitor performance and satisfaction at Board level, an annual assessment is conducted. These assessments have consistently indicated that the Board operates productively and efficiently and they are used to generate continuous improvement.

In regard to organisational culture including staff commitment and morale, the PPWCMA participates in the annual 'People Matter' survey conducted by the Victorian Government. Results from the survey have consistently indicated that the PPWCMA has high staff morale and satisfaction in comparison to other public sector organisations. Important points from recent surveys included:

- A very high proportion of PPWCMA staff normally complete the survey (100% of the 20 staff in 2015); and
- The PPWCMA scored 87 on the 'employee engagement index' (a combined measurement of five aspects that an engaged employee should exhibit: pride, advocacy, attachment, inspiration and motivation) compared to an average of 69 for comparative organisations.

Five year goals and challenges/risks

Over the 5 years ahead, the PPWCMA aims to maintain its governance and business management standards at very high levels.

An ongoing focus will be to continue increasing the efficiency of governance and business management processes but a challenge will be maintaining a base level of revenue commensurate with the breadth and level of the PPWCMA's legislative responsibilities and obligations.

2.2 Coordinating implementation of the Regional Catchment Strategy and engaging with regional stakeholders and the community

Business context and resourcing

As outlined in the *Catchment and Land Protection Act 1994*, the PPWCMA is responsible for coordinating the development and implementation of the Regional Catchment Strategy and engaging regional stakeholders and the community in integrated natural resource management.

The PPWCMA is committed to making it beneficial and attractive for the region's natural resource managers, organisations and community groups to regularly work together and achieve greater outcomes for our collective resources and effort. The PPWCMA has led the development of a new, online format for the Regional Catchment Strategy to improve collaboration, coordination and partnerships amongst agencies, organisations and communities and intends to build on this innovative work. The online nature of the strategy enables it to be easily amended and therefore be responsive to changing circumstances. The strategy is available to the whole community at all times at www.ppwrccs.vic.gov.au.

Revenue to fulfil the PPWCMA's legislative responsibilities and corporate obligations in 2016/17 totals \$597,000 from the Victorian Government provided as a 'corporate allocation'. Of these funds, the PPWCMA has directed \$140,000 to undertake its Regional Catchment Strategy coordination and community engagement responsibilities during 2016/17 (supplemented by additional funds carried forward from 2015/16). The other \$597,000 is directed to fulfilling the PPWCMA's governance and business management responsibilities (see Section 2.1).

Performance targets for 2016/17

- The Regional Catchment Strategy approved by the Minister.
- Progress with implementation of the Regional Catchment Strategy is reviewed by the Board annually
- Projects/activities to implement the Regional Catchment Strategy are delivered and reported according to associated funding agreements.
- A stakeholder and community engagement framework/plan approved by the Board.
- Diverse engagement activities are undertaken with regional stakeholders and community sectors to enhance integrated catchment management, catalyse partnerships and projects, and identify and consult on potential revisions to the Regional Catchment Strategy.

Business approach

There are many stakeholders that have been actively involved in the development of the Regional Catchment Strategy and there is strong commitment amongst them to meet the strategy's targets. The PPWCMA intends to build on this foundation and continue to enhance collaboration, funding, learning and on-ground results.

The PPWCMA considers that effective stakeholder and community engagement is key to achieving integrated catchment management. For the PPWCMA, “stakeholder engagement” is the process of building and sustaining relationships that support the achievement of the Regional Catchment Strategy’s targets. The PPWCMA works mainly with Councils, Government departments and Landcare and other relevant community groups because these organisations play a vital role in the implementation of the strategy. For the PPWCMA, working with these stakeholders is the most resource-effective way of communicating with and influencing the broader community.

In 2016/17, the PPWCMA will:

- Collaborate with stakeholders and community sectors to increase the formal commitment and contributions to the implementation of the Regional Catchment Strategy.
- Seek funds that contribute to the achievement of the Regional Catchment Strategy and directing funding to stakeholders to pursue targets;
- Engage stakeholders in monitoring the achievement of Regional Catchment Strategy targets;
- Report on key aspects of Regional Catchment Strategy implementation; and
- Periodically review the Regional Catchment Strategy and make a recommendation for revision when necessary.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to:

- Be on track for the achievement of the targets in the strategy;
- Maintain high levels of collaboration and communication amongst partner organisations and ensure their focus on the achievement of the targets outlined in the strategy
- Report on the condition of the region’s environment in ways that link to the targets and inform future decision making; and
- Ensure the Regional Catchment Strategy remains current.

Challenges to be faced include:

- Maintaining an adequate level of resourcing and staffing to provide the leadership and support necessary to foster collaboration amongst the many key organisations in this region;
- Ensuring there is a monitoring and reporting program in place to enable regular, sound and effective reporting; and
- Securing information and feedback on the effectiveness of implementation programs in achieving long-term targets as the basis for review and improvement.

2.3 Coordinating Government grants

Business context and resourcing

For more than a decade, the PPWCMA has coordinated the roll-out in this region of various Victorian and Australian Government funding streams and grants programs.

Examples from 2015/16 were:

- Coordinating the advertisement, assessment, administration and reporting of Victorian Government Landcare grants in this region; and
- Coordinating the administration and reporting of various projects funded through the Australian Government's National Landcare Programme.

Resourcing to undertake this coordination role is provided as part of each investment agreement and is generally in the order of 10% of the particular investment.

The PPWCMA will continue to engage regional stakeholders and community sectors to generate partnerships and projects that address the priorities of relevant grants programs.

Performance targets for 2016/17

- Grants programs are delivered and reported according to associated funding agreements.

Business approach

In 2016/17, the PPWCMA is committed to:

- Engaging regional stakeholders and community sectors to develop partnerships and projects that meet the needs of the grants programs, particularly where they address national and state priorities plus regional priorities as expressed in the Regional Catchment Strategy
- Administering the funds efficiently on behalf of Government and any other investors.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to enhance the alignment between Government grants programs and the Regional Catchment Strategy priorities.

Major challenges for the PPWCMA in the years ahead will be:

- Increasing the level of funding to this region from Government funding processes and achieving security of funding for multiple years;
- Ensuring that any competitive funding processes do not diminish the cooperation and collaboration amongst regional stakeholders; and

- Tapping into new and diverse fund sources to increase the overall effort going towards the implementation of the Regional Catchment Strategy in this region.

The PPWCMA will address these challenges by:

- Working closely with the Victorian and Australian Governments to identify priorities in this region that they can invest in;
- Engaging relevant organisations and consortiums for the development of projects that will address the national, state and regional priorities and may be successful in securing funding;
- Identifying potential new sources of funds, assessing the appropriateness and likelihood of success, then targeting the best potential sources with proposals; and
- Administering Government funding to priority projects in this region efficiently and ensuring that all governance, monitoring and reporting requirements are fulfilled in a timely manner.

2.4 Supporting the Landcare movement

Business context and resourcing

There are hundreds of community groups in this region that are active and influential in the protection and enhancement of natural resources. They include Landcare groups, Friends groups, Committees of Management and others.

For more than a decade, the PPWCMA has provided strategic support for the Landcare movement in this region on behalf of the Victorian Government.

A continuing component of this support is the employment of a specialist to engage with and provide services for the Landcare and community groups and networks across the region as outlined in a Regional Landcare Support Strategy.

Resourcing for this service is provided through the Victorian Government's Landcare Program.

Performance target for 2016/17

- A regional Landcare Support Plan approved by the Board.
- Projects/activities to implement the regional Landcare Support Plan are delivered and reported according to associated funding agreements.

Business approach

The PPWCMA is committed to supporting Landcare and the environmental community movement and ensuring the collective effort addresses the priorities outlined in the Regional Catchment Strategy.

In 2016/17, the PPWCMA support for Landcare will include:

- Maintaining a Regional Landcare Coordinator role to oversee the rollout of the Regional Landcare Support Strategy and provide some direct support to the Landcare movement;
- Supporting the network of Local Landcare facilitators in this region;
- Supporting the region's Landcare networks and their leaders; and
- Providing regular communication to all groups with up-to-date information on environmental issues and opportunities for projects, training, assistance and funding.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to continue to strengthen the alignment of the work at group and network level with Regional Catchment Strategy targets. Challenges include adequately supporting the high number of groups in this region and influencing them to align their work programs with regional priorities.

2.5 Supporting sustainable land management

Business context and resourcing

The PPWCMA began two projects in 2013/14 to engage closely with:

- Landcare groups in high-priority areas of the region and assist their landholders to adopt biodiversity conservation practices; and
- Farmers in targeted industries in high-priority areas of the region and assist them to adopt sustainable agricultural practices.

These projects will run for a total of 5 years and aim to:

- Identify which agricultural industries to target in which locations, and which sustainable practices to facilitate adoption of, that offer the best opportunity for improving production and that contribute to national, state and regional environmental objectives;
- Work with farmer discussion groups to resolve obstacles to adoption of sustainable agricultural practices that contribute to national, state and regional environmental objectives, including trials and demonstrations of the preferred practices;
- Identify 30 Landcare groups with the greatest potential to contribute to national, state and regional environmental objectives, develop their capacity to design and deliver high quality biodiversity conservation projects, and engage their landholders in adopting best practice biodiversity conservation practices;
- Improve coordination of project planning and delivery between Landcare groups and agencies at the landscape scale; and
- Engage with representatives of traditional owner groups to identify and document their aspirations for involvement in agriculture in the region, and pursue high priority opportunities.

Revenue for these projects is provided through the Australian Government's National Landcare Programme and comprises approximately \$351,000 for 2016/17.

Performance target for 2016/17

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

Business approach

The PPWCMA employs two positions to undertake the work of this project, one focussed on the north and west of the region and the other focussed on the east and south of the region.

In 2016/17, the work in this project will include the following activities:

- Support 3 farmer discussion groups to identify and resolve obstacles to adoption of targeted agricultural practices;
- Establish 6 trials and demonstrations of the targeted agricultural practices and undertake field days to promote their wider adoption;
- Prepare mapping resources for Landcare groups on biodiversity priorities;
- Deliver biodiversity project design education/training sessions with targeted Landcare groups;
- Convene 5 Catchment Action Round Tables; and
- Provide resources to groups regarding best practice standards for on-ground works.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to increase the contribution of farmers and Landcare groups to national, state and regional environmental objectives, complete this project and secure further funding to build on this work.

Major challenges for the PPWCMA in the years ahead will be:

- Building the profile of the PPWCMA within the agricultural sector;
- Effectively engaging farmers in the identified industries and locations; and
- Effectively engaging the Landcare groups with the greatest potential to contribute

The PPWCMA will address these challenges by:

- Continuing to build organisational capacity in sustainable agriculture through staffing and professional development;
- Engaging and building relationships with relevant farmer groups to better understand their needs, and deliver clear messages about ours; and
- Working with existing farmer groups and Landcare Groups wherever possible.

2.6 Supporting sustainable agriculture

Business context and resourcing

The PPWCMA began a project in 2013/14 to engage closely with agricultural industries in high-priority areas of the region.

The project will run for a total of 5 years and aims to:

- Build strong working relationships with targeted agricultural industry groups; and
- Partner with these industry groups to deliver activities that engage and support the constituent farmers to adopt sustainable agricultural practices.

Resourcing for this project is provided through the Australian Government's National Landcare Programme and comprises \$167,000 for 2016/17 and a similar level of funding for the subsequent year.

Performance target for 2016/17

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

Business approach

The PPWCMA employs a 'Regional Landcare Facilitator' to undertake the work of this project. The focus of their work has been determined through an analysis of the national, state and regional environmental values and the agricultural industries and practices with the greatest potential to contribute to protecting these values.

In 2016/17, the work in this project will include:

- Regular meetings with 6 different agricultural industry groups;
- 10 events that build the capacity of farmers, delivered in partnership with industry groups; and
- Enhancing access to technical advice, expert knowledge and incentives for trialling and adoption of sustainable agricultural practices.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to effectively engage with the target industry groups and increase the contribution of their farmers to national, state and regional environmental objectives, complete this project and secure further funding to build on this work.

Major challenges for the PPWCMA in the years ahead will be:

- Continuing to build the profile of the PPWCMA within the agricultural sector; and
- Effectively engaging and influencing the identified agricultural industry groups.

The PPWCMA will address these challenges by:

- Building organisational capacity in sustainable agriculture through staffing and professional development; and
- Engaging and building relationships with relevant industry and grower groups to better understand their needs, and deliver clear messages about ours.

2.7 Engaging Indigenous communities

Business context and resourcing

The PPWCMA began a project in 2013/14 to increase the capacity of the region's Indigenous people to participate in the planning, development and delivery of natural resource management.

The project will run for a total of 5 years and aims to:

- Build relationships between Indigenous people in the region, the PPWCMA, Landcare groups and other organisations;
- Provide forums to share and learn about cultural heritage, natural resource management and sustainable agriculture;
- Improve the capacity of Traditional Owners to map and manage their cultural heritage;
- Incorporate aspirations of Indigenous people into natural resource management planning and project delivery; and
- Establish understanding, relationships, skills and partnerships that will endure beyond the life of this funded project and provide ongoing benefits for Indigenous people.

Resourcing for this project is provided through the Australian Government's National Landcare programme and comprises \$167,000 for 2016/17 and the subsequent year.

Performance target for 2016/17

- Delivery of activities that fulfil the commitments associated with engaging Indigenous communities.

Business approach

The PPWCMA employs a 'Regional Indigenous Facilitator' to undertake the work of this project. In 2016/17, the work in this project will include:

- Facilitated workshops;
- Field excursions; and
- Development of partnership agreements.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to significantly increase the participation of the region's Indigenous people in natural resource management, complete this project and secure further funding to build on this work.

Challenges for the years ahead involve articulating the aspirations of the region's Indigenous people and finding meaningful opportunities to realise them. This challenge will be addressed by the ongoing program of engagement.

2.8 Coordinating the ‘Grow West’ project

Business context and resourcing

Grow West is a long-term project focussed on the landscapes around Bacchus Marsh to the west of Melbourne. It aims to create connections across public and private land to link the Wombat State Park, Werribee Gorge State Park, Brisbane Ranges National Park and Lerderderg State Park. It involves the PPWCMA, Moorabool Shire Council, Melbourne Water, Conservation Volunteers Australia, DELWP, Southern Rural Water, Victorian National Parks Association, local Landcare Groups and others.

The PPWCMA has taken a lead role in Grow West over the past decade by hosting the project on behalf of the other stakeholders, establishing and supporting a Grow West Implementation Committee, employing staff to support and coordinate Grow West and managing a range of funded activities including significant revegetation work.

A base level of resourcing to coordinate Grow West is contributed by some of the stakeholder organisations. Total resourcing can increase sharply from time to time when any funding agreement is put in place to undertake on-ground works, but can diminish again when a task/project is completed.

Performance target for 2016/17

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

Business approach

The PPWCMA remains committed to hosting, supporting and coordinating Grow West. In 2016/17, the work in this project will include the following activities:

- Initiating a new project to plant up to 160,000 trees over 200 hectares by 2017;
- Securing additional funding to coordinate and deliver on-ground works;
- Updating the mapping of past, current and potential future on-ground works; and
- Delivering the annual Grow West Planting Day with approximately 200 volunteers.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to maintain the momentum that has been built with Grow West’s stakeholders and the community including delivery of extensive revegetation work that contributes to the long-term aim of establishing major biolinks. The major challenge will be securing funding to continue large-scale on-ground works. This will be addressed by developing and refining a prospectus of projects and seeking investment from government, corporate and philanthropic organisations.

2.9 Coordinating the ‘Living Links’ project

Business context and resourcing

Living Links is a long-term project focussed on the south-eastern suburbs of Melbourne. It aims to improve the connections between the many parks, reserves, open spaces, coasts, beaches, pathways, rivers, creeks and wetlands in the area and contribute to it being a world-class urban ecosystem. It involves the PPWCMA, 10 Councils, agencies, non-government organisations, community groups and others.

The PPWCMA has taken a lead role in Living Links by hosting the project on behalf of the other stakeholders, establishing and supporting a Living Links Coordination Committee, employing staff to support and coordinate Living Links and managing the process to develop a Living Links Master Plan and website.

A base level of resourcing to coordinate Living Links is contributed by some stakeholder organisations and a number of small on-ground projects have also been funded and managed at various times in past years. Living Links is now at the stage of seeking major investment to support on-ground projects.

Performance target for 2016/17

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

Business approach

The PPWCMA remains committed to hosting, supporting and coordinating Living Links.

In 2016/17, the work in this project will include promoting the Living Links Master Plan and fostering partnerships for its implementation, monitoring and reporting.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to maintain the momentum that has been built with Living Links stakeholders and the community by initiating on-ground works that contribute to the vision of enhanced connections across this urban landscape.

The major challenge will be securing funding to enable large-scale on-ground works. This will be addressed by actively promoting the project and its outcomes to government, corporate and philanthropic organisations.

2.10 Coordinating the ‘Yarra4Life’ project

Business context and resourcing

Yarra4Life is a long-term project focussed on the landscapes of the Yarra Valley. It aims to improve the quality of land, water and native habitat, and to help protect and enhance the survival of native species in the region. It involves the PPWCMA, Yarra Ranges and Cardinia Councils, Melbourne Water, DELWP, Parks Victoria, Trust for Nature, Conservation Volunteers Australia, Victorian National Parks Association and local Landcare, ‘Friends of’ and other community groups.

The PPWCMA has taken a lead role in Yarra4Life by hosting the project on behalf of the other stakeholders, establishing and supporting a Yarra4Life Coordination Committee, employing staff to support and coordinate Yarra4Life and managing a range of funded activities including significant revegetation work.

A base level of resourcing to coordinate Yarra4Life is contributed by some stakeholder organisations. Total resourcing can increase sharply from time to time when any funding agreement is put in place to undertake on-ground works, but can diminish again when a task/project is completed.

As a contribution to Yarra4Life, the PPWCMA began a project in 2013/14 to assist some threatened native animal species in the Yarra Ranges. The project will run for a total of 5 years and works with local communities to improve land management practices to benefit the Helmeted Honeyeater and Leadbeater’s Possum. Revenue for this project is provided through the Australian Government’s National Landcare Programme and comprises \$200,000 for 2016/17 and a similar level of funding for the subsequent year.

Performance target for 2016/17

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

Business approach

The PPWCMA remains committed to hosting, supporting and coordinating Yarra4Life.

In 2016/17, the work in this project will focus on delivery of on-ground works including:

- Revegetation of 8 hectares of key habitat for threatened species;
- Treating at least 26 hectares for weeds and 58 hectares for pest animals; and
- Undertaking up to 11 community field days and workshops plus 2 engagement activities with Indigenous Communities.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to maintain the momentum that has been built with Yarra4Life's stakeholders and the community including delivery of extensive revegetation work that contributes to the long-term aim of establishing major biolinks.

Challenges for the PPWCMA in the years ahead include:

- Completing the Australian Government-funded project and delivering all of the required outputs; and
- Securing further funding to build on this work.

These challenges will be addressed by ensuring ongoing coordination of Yarra4Life, and working with partners and stakeholders to optimise opportunities.

2.11 Coordinating the ‘Greening the Maribyrnong’ project

Business context and resourcing

Greening the Maribyrnong is a landscape rehabilitation project focused on the valleys in the Maribyrnong catchment which are typically degraded by pest plants and animals. It involves a partnership of organisations including Melbourne Water, Parks Victoria, Brimbank, Hume and Moonee Valley City Councils, as well as City West Water, Melbourne Airport, the Wurundjeri Tribe Land & Compensation Cultural Heritage Council, a range of private landholders and a number of “Friends of” groups.

The PPWCMA has taken a lead role in Greening the Maribyrnong by coordinating the project on behalf of the other stakeholders, convening a Steering Committee, employing staff to support and coordinate the work and managing a range of funded activities including significant pest management and revegetation.

In recent years, achievements funded through Victorian and Australian Government initiatives have included:

- 580 hectares of pest plant and animal treatment, 88 hectares of remnant vegetation enhancement and 164 hectares of new biodiverse plantings.

Revenue for 2016/17 is expected from Lead West and Melbourne Water.

Performance target for 2016/17

- Delivery of activities and on-ground works that fulfil the commitments associated with the Greening the Maribyrnong project.

Business approach

In 2016/17, the work in this project will include the following activities:

- 250 hectares of revegetation and associated pest plant and animal treatment
- Promoting the project to capitalise on the momentum already achieved.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to maintain the momentum that has been built with Greening the Maribyrnong’s stakeholders and the community including delivery of extensive pest management and revegetation work in the Maribyrnong Valley. The major challenge will be securing funding to continue large-scale on-ground works in the Maribyrnong. This will be addressed by developing and refining a prospectus of projects and seeking investment from government, corporate and philanthropic organisations.

2.12 Coordinating the ‘Ramsar Protection Program’

Business context and resourcing

The Ramsar Protection Program aims to protect the ecological values of the Western Port and Port Phillip Bay (Western Shoreline) Ramsar sites. It involves collaboration between the PPWCMA, Parks Victoria, Phillip Island Nature Park, Western Port Biosphere and various Landcare groups and Councils.

The PPWCMA has taken a lead role in the Ramsar Protection Program by coordinating the project, convening a Steering Committee, employing staff to support and coordinate the work and managing a range of funded activities including significant pest management.

Building on work undertaken in previous years, this project began in 2013/14 and will run for a total of 5 years. Resourcing for this project is provided by the Australian Government and comprises approximately \$418,000 for 2016/17 and the subsequent year.

Performance target for 2016/17

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

Business approach

In 2016/17, the work in this project will include:

- Coordinating the steering committee and technical support program;
- Protection of the ecological values of Ramsar sites through on-ground activities (e.g. pest animal and plant management, fencing, etc.);
- Building community skills, knowledge and engagement in natural resource management; and
- Enhancing the skills and capacity of delivery partners including developing innovative Indigenous engagement and training programs.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to successfully deliver all of the required elements of this project including extensive pest management.

Challenges for the PPWCMA in the years ahead include securing new funding that can continue and build upon the existing project. This challenge will be addressed by actively promoting the project and its outcomes to government and other potential investors.

2.13 Coordinating the ‘Valuing our Volcanic Plains’ project

Business context and resourcing

The Valuing our Volcanic Plains project operates to the west of Melbourne and aims to enhance the management and quality of threatened native vegetation communities and species on the Victorian Volcanic Plains. It involves the PPWCMA and the Hume, Melton and Greater Geelong Councils.

The PPWCMA is coordinating the project, convening an Implementation Committee, employing staff to support and coordinate the work and managing a range of funded activities including incentives for landholders to protect and enhance grasslands on their properties.

Building on work undertaken in previous years, this project began in 2013/14 and will run over a total of 5 years. Over this time, it aims to improve more than 2,000 hectares of threatened grasslands through weed and pest animal control and training 120 land managers to increase knowledge and adoption of sound management practices. Resourcing for this project is provided through the Australian Government and comprises \$195,000 for 2016/17 and the subsequent year.

Performance target for 2016/17

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

Business approach

In 2016/17, the work in this project will include the following activities:

- Engage with 12 land managers to participate in the program;
- Manage 265 hectares for weeds and 50 hectares to control pest animal species;
- Provide training and skills development for 12 land managers; and
- Engage at least 30 community members through activities that increase their knowledge and understanding of the Victorian Volcanic Plains.

Five year goals and challenges/risks

Over the five years ahead, the PPWCMA aims to successfully deliver all of the required elements of this project including landholder engagement and on-ground works.

Challenges for the PPWCMA in the years ahead include:

- Completing the existing contracted work and delivering all of the required outputs;
- Securing further funding to build on this work.

These challenges will be addressed by:

- Maintaining strong working relationships with project partners to ensure all works are on track and any potential problems are identified early;
- Regularly communicating with the Australian Government to promote the success of this project and discuss future directions and priorities for any possible future funding; and
- Communicating regularly with other potential investors including the Victorian Government, local government and corporations.

2.14 Coordinating the ‘Dandenong Ranges wildlife recovery, weed management and fuel reduction’ project

Business context and resourcing

The Dandenong Ranges project operates to the east of Melbourne and aims to enhance wildlife recovery, weed management and fuel reduction in this bushfire-affected area. It involves the PPWCMA, Yarra Ranges Council, Melbourne Water, Parks Victoria, the Community Weed Alliance of the Dandenongs, Country Fire Authority, Wurundjeri Tribe Council and other organisations.

The PPWCMA is coordinating the project, convening a Community Grants Panel, employing staff to support and coordinate the work and managing a range of funded activities including grants for organisations and community groups.

This project began in 2014/15 and will run over a total of 3 years. Resourcing for this project is provided by the Australian Government and comprises \$900,000 for on-ground projects per year for each of the 3 years (plus \$100,000 for PPWCMA project coordination per year).

Performance target for 2016/17

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

Business approach

In 2016/17, the work in this project will include the following activities:

- Continuation of a grants program to disperse funds to organisations and community groups with the most appropriate local projects;
- Continuation of a project targeting control of Wandering Trad and other weeds delivered by the Community Weed Alliance of the Dandenongs; and
- Continuation of a project to deliver Indigenous bush tours in the Dandenongs delivered by the Wurundjeri Tribe Council.

Project goals and challenges/risks

Over the life of this project, the PPWCMA aims to successfully deliver all of the required elements.

Challenges for the PPWCMA in the years ahead include completing the existing contracted work and delivering all of the required outputs. This challenge will be addressed by:

- Maintaining strong working relationships with project partners to ensure all works are on track and any potential problems are identified early; and
- Regularly communicating with the Australian Government to promote the success of this project.

3. Financial Statements

3.1 Background

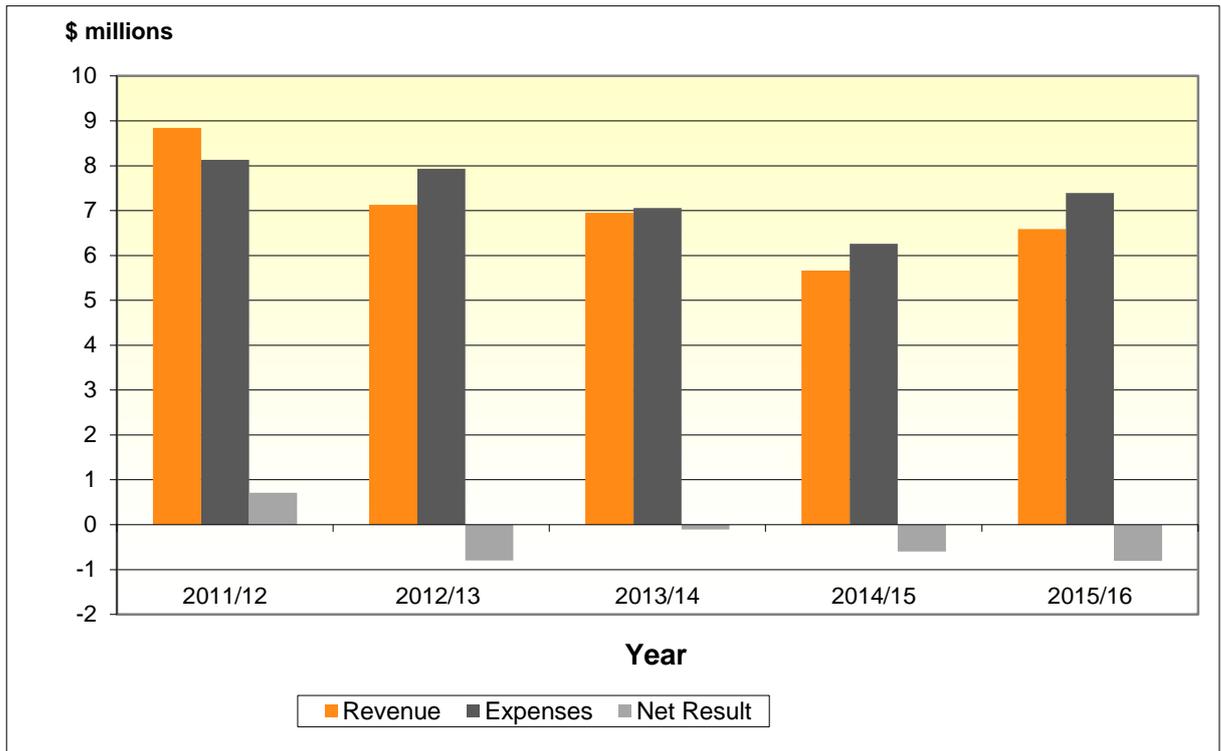
The PPWCMA manages its finances in line with the *Financial Management Act 1994* and the associated Directions of the Victorian Government Minister for Finance.

The Financial Statements of the PPWCMA from previous years (summarised in the table and graphs below) reveal that the total annual revenue has been relatively stable over that time, with fluctuations from year to year (between approximately \$6 million and \$9 million) being mainly due to ramping up and down of Victorian and Australian Government funding initiatives. Often, funds received in a particular year will be expended over that year and the subsequent year, so variation can be expected in the net result from year to year.

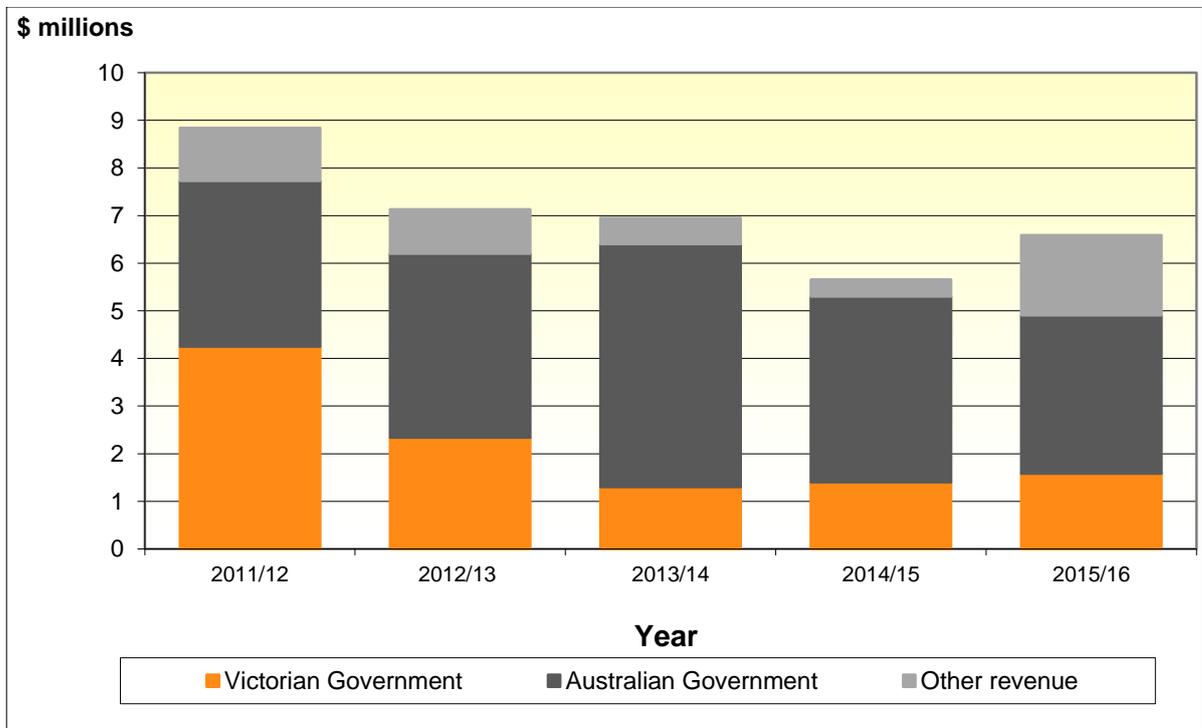
The history of PPWCMA financial management demonstrates the PPWCMA is an efficient project manager with timely project completion.

	2015/16 \$ est.	2014/15 \$	2013/14 \$	2012/13 \$	2011/12 \$
Revenue					
Victorian Government Contributions	1,583,205	1,399,010	1,302,982	2,336,235	4,252,328
Australian Government Contributions	3,326,695	3,904,233	5,100,428	3,858,260	3,476,000
Other Revenue	1,677,137	354,190	547,560	926,145	1,155,108
Total Revenue	6,587,037	5,657,433	6,950,970	7,120,640	8,883,436
Expenses	7,393,887	6,255,471	7,057,375	7,905,240	8,131,948
Net Result for the Reporting Period	(806,850)	(598,038)	(106,405)	(784,600)	751,488
Net Cash Flow from Operating Activities	(629,000)	(862,921)	170,633	(604,248)	796,383
Total Assets	2,509,000	3,240,360	4,195,170	3,920,097	4,571,640
Total Liabilities	455,000	725,476	1,082,248	700,770	543,847

Summary of PPWCMA finances for the past five years (estimate for 2015/16)



Sources of PPWCMA revenue (estimate for 2015/16)



3.2 Revenue for 2016/17

The total PPWCMA revenue in 2016/17 is estimated to be \$6.782 million, comprised of:

- ◆ \$1.079 million from the Victorian Government through the Department of Environment, Land, Water & Planning (DELWP);
- ◆ \$3.311 million from the Australian Government through the National Landcare Programme and the Dandenong Ranges project;
- ◆ \$2.392 million from other sources (mostly comprised of contracts associated with the major environmental projects and contributions from partner organisations).

3.3 Expenditure

The Victorian Government funds will be used by the PPWCMA to fulfil corporate requirements and statutory obligations.

The remainder of the revenue is used by the PPWCMA for specific, contracted projects or is channelled by the PPWCMA to other organisations such as government agencies, local government, non-government organisations and community groups to undertake agreed or contracted projects and works.

3.4 Accounting policies

The PPWCMA's accounting policies are prepared in accordance with the policies contained within the Financial Management Compliance Framework, which was developed under the requirements of the *Financial Management Act 1994*.

3.5 Financial reporting standards

The financial reports of the PPWCMA are prepared in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards and International Financial Reporting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board and other professional reporting requirements.

3.6 Corporate expenses and project costing

Given that the PPWCMA is not the manager of waterways in this region, there is a relatively low level of project funding managed by the PPWCMA each year. For this reason, the PPWCMA has not established a reliance on project costing to cover its core, corporate expenses. The corporate expenses (including the Board, CEO, and business and governance management) are covered by a corporate allocation provided to the PPWCMA by the Victorian Government through the Department of Environment, Land, Water and Planning.

In regard to all other projects managed or overseen by the PPWCMA, the expenses associated with staffing and conduct of each project are incorporated into the particular project funding agreement. Each project also covers its share of organisational overheads such as office accommodation, vehicles, phones, utility costs, stationary, etc.

3.7 Depreciation, amortisation and movement in classes of provisions

The PPWCMA has two classes of assets: (1) Furniture and Equipment; and (2) Computers and Accessories. Movements are reported in the Balance Sheet. The PPWCMA does not anticipate significant changes to our asset holdings in 2015/16.

The PPWCMA maintains provisions for annual, long service and time in lieu leave, for all staff. Movements are reported in the Balance Sheet. The PPWCMA does not anticipate significant movement in these provisions.

3.8 Cost recovery

The PPWCMA does not issue permits for persons to carry out works or activities on designated waterways and does not propose to recover any fees via fees or charges for this purpose.

3.9 Asset management

The PPWCMA does not own or manage substantial assets such as major water storage facilities, office buildings or a fleet of vehicles and machinery. There is no requirement for capital expenditure or rehabilitation expenditure plans to cater for replacement of major assets.

3.10 Capital expenditure

The PPWCMA does not anticipate any capital expenditure during 2016/17.

3.11 Assumptions underpinning the financial statements

Underpinning these financial statements are the assumptions that:

- (1) Victorian Government, Australian Government and other funding anticipated for 2016/17 will be received;
- (2) The estimated expenditure for each of the projects will occur by the end of 2016/17;
- (3) Victorian Government and Australian Government funding for 2017/18 and 2018/19 will be the same as 2016/17 (unless otherwise known); and

3.12 Financial projections for 2016/17

The following tables are included to outline the financial projections of the PPWCMA:

- Planned PPWCMA programs
- Statement of intended financial performance;
- Statement of cash flow;
- Assets;
- Liabilities and equity.

Planned PPWCMA programs for 2016/17

Program	Estimated 16-17 Income (\$'000's)			Proposed expenditure (\$'000's)
	Vic. Govt.	Aust. Govt.	Other	
Corporate/Statutory Operations				
<ul style="list-style-type: none"> Maintaining high standards of governance and business management and a healthy organisational culture 	597	151	80	1,142
<ul style="list-style-type: none"> Coordinating implementation of the Regional Catchment Strategy and engaging with regional stakeholders and the community 	140			160
Subtotal	737	151	80	1,302
Delivery by PPWCMA of funded projects				
<ul style="list-style-type: none"> Coordinating Government grants 	200	431		631
<ul style="list-style-type: none"> Supporting the Landcare movement 	142			142
<ul style="list-style-type: none"> Supporting sustainable land management 		316		260
<ul style="list-style-type: none"> Supporting sustainable agriculture 		150		130
<ul style="list-style-type: none"> Engaging Indigenous communities 		150		200
<ul style="list-style-type: none"> Coordinating the Grow West project 			1,026	900
<ul style="list-style-type: none"> Coordinating the Living Links project 			65	65
<ul style="list-style-type: none"> Coordinating the Yarra4Life project 		200	25	280
<ul style="list-style-type: none"> Coordinating the Greening the Maribyrnong project 			1,196	900
<ul style="list-style-type: none"> Coordinating the Ramsar Protection Program 		418		370
<ul style="list-style-type: none"> Coordinating the Valuing Our Volcanic plains project 		195		200
<ul style="list-style-type: none"> Coordinating the Dandenong Ranges project 		900		1,115
Subtotal	342	2,760	2,312	5,193
Delivery by external parties of funded projects		400		400
Subtotals		400		400
Totals	1,079	3,311	2,392	6,895

Operating statement

15-16 (\$'000's)		Estimate for 16-17 and subsequent years (\$'000's)		
		16-17	17-18	18-19
	Revenue			
70	Local - Interest	80	80	80
1,607	- Other	2,312	140	140
1,583	Grants - Vic Govt	1,079	1,079	1,079
3,327	- Aust. Govt.	3,311	3,311	3,311
	- Other			
6,587	Total revenue	6,782	4,610	4,610
	Expenditure			
8	Statutory ops. - Depreciation	8	8	8
170	- Provisions	175	180	185
1,433	- Programs	1,500	1,550	1,600
5,783	Strategic programs	5,212	2,872	2,817
7,394	Total expenditure	6,895	4,610	4,610
(807)	Operating surplus (deficit)	(113)	0	0

Statement of cash flows

15-16 (\$'000's)		Estimate for 16-17 and subsequent years (\$'000's)		
		16-17	17-18	18-19
3,111	Opening cash	2,482	2,552	2,740
	Cash receipts			
70	Local - Interest	80	80	80
1,607	- Other	2,312	140	140
1,583	Grants - Vic Govt	1,079	1,079	1,079
3,327	- Aust. Govt.	3,311	3,311	3,311
0	- Other	0	0	0
6,587	Total cash received (1)	6,782	4,610	4,610
	Cash payments			
1,433	Statutory ops.	1,500	1,550	1,600
5,783	Strategic programs	5,212	2,872	2,817
7,216	Total cash payments (2)	6,712	4,422	4,417
(629)	Net cash changes (1)- (2)	70	188	193
2,482	Closing cash balance	2,552	2,740	2,993

Balance sheet

Assets

15-16 (\$'000's)	Assets	Estimate for 16-17 and subsequent years (\$'000's)		
		16-17	17-18	18-19
	Current			
450	Cash	400	400	400
2,032	Investments	2,152	2,340	2,533
0	Receivables	0	0	0
0	Inventories	0	0	0
8	Others	8	8	8
2,490	Total current assets	2,560	2,748	2,941
	Non-current			
79	Fixed assets - Gross	79	79	79
(60)	- less accumulated depreciation	(68)	(76)	(79)
19	- Net	11	3	0
0	Investments	0	0	0
0	Receivables	0	0	0
0	Others	0	0	0
19	Total non-current assets	11	3	0
2,509	Total Assets	2,571	2,751	2,941

Liabilities and equity

15-16 (\$'000's)	Liabilities	Estimate for 16-17 and subsequent years (\$'000's)		
		16-17	17-18	18-19
	Current			
0	Bank overdraft	0	0	0
0	Borrowings	0	0	0
0	Creditors and accruals	150	310	480
395	Provisions	400	410	420
395	Total current liabilities	550	720	900
	Non-current			
0	Borrowings	0	0	0
60	Provisions	80	90	100
60	Total non-current liabilities	80	90	100
455	Total liabilities	630	810	1,000
2,054	Equity (Total assets less Total liabilities)	1,941	1,941	1,941

4. Summary of performance targets

The performance of the PPWCMA in 2016/17 will be assessed against the following targets. The progress against the Performance Targets will be monitored and reported upon in the PPWCMA Annual Report.

Performance Area	Performance target
Business management and governance	<ul style="list-style-type: none"> • Submit a Board performance assessment report according to any guidelines issued.
	<ul style="list-style-type: none"> • A risk management strategy/plan approved by the Board and being implemented.
	<ul style="list-style-type: none"> • One hundred per cent of the CMA's policies reviewed and approved by the Board every three financial years.
	<ul style="list-style-type: none"> • Full compliance with all applicable Standing Directions under the Financial Management Compliance Framework Checklist.
Regional planning and coordination	<ul style="list-style-type: none"> • The Regional Catchment Strategy (RCS) approved by the Minister.
	<ul style="list-style-type: none"> • Progress with implementation of the RCS is reviewed by the Board annually.
	<ul style="list-style-type: none"> • Projects/activities to implement the RCS are delivered and reported according to associated funding agreements.
	<ul style="list-style-type: none"> • A stakeholder and community engagement framework/plan approved by the Board.
	<ul style="list-style-type: none"> • Diverse engagement activities are undertaken with regional stakeholders and community sectors to enhance integrated catchment management, catalyse partnerships and projects, and identify and consult on potential revisions to the Regional Catchment Strategy.
	<ul style="list-style-type: none"> • Grants programs are delivered and reported according to associated funding agreements.
	<ul style="list-style-type: none"> • A regional Landcare Support Plan approved by the Board.
	<ul style="list-style-type: none"> • Projects/activities to implement the regional Landcare Support Plan are delivered and reported according to associated funding agreements.
Regional delivery	<ul style="list-style-type: none"> • Delivery of activities that fulfil the commitments associated with supporting sustainable land management.
	<ul style="list-style-type: none"> • Delivery of activities that fulfil the commitments associated with supporting sustainable agriculture.
	<ul style="list-style-type: none"> • Delivery of activities that fulfil the commitments associated with engaging Indigenous communities.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with the Grow West project.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with the Living Links project.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with the Yarra4Life project.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with Greening the Maribyrnong project.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with projects in the Ramsar Protection Program.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with the Valuing our Volcanic Plains project.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with the Dandenong Ranges project.
	<ul style="list-style-type: none"> • Delivery of activities and on-ground works that fulfil the commitments associated with the Dandenong Ranges project.

