CORPORATE PLAN
2017–18 to 2020–21
04 Message from the Chief Executive
05 About the MDBA
06 Corporate plan snapshot
07 Our purpose
08 Our operating environment
11 Our performance
13 Strategic Goal 1 — Lead the implementation of the Basin Plan to achieve a healthy, working Basin
14 Strategic Goal 2 — Strengthen engagement with the community
15 Strategic Goal 3 — Evaluate and report the social, economic and environmental outcomes of Basin water reforms
16 Strategic Goal 4 — Operate the River Murray system efficiently for partner governments
17 Strategic Goal 5 — Improve the knowledge base to support sustainable water resource management
18 Our financial arrangements
19–20 Our risk management approach
MESSAGE FROM THE CHIEF EXECUTIVE

It is my pleasure to present the Murray–Darling Basin Authority Corporate Plan for 2017–18.

This past year has been one of consolidation of the water reform process. We remain focused on delivering the Basin Plan, including determining the Sustainable Diversion Limit Adjustment Mechanism (SDLAM) and progressing Amendments to the Plan following the northern basin review.

The 2017–18 Corporate Plan reflects a number of new challenges for the Murray–Darling Basin Authority. From June 2017 we will be expanding our presence throughout the Murray–Darling Basin with offices in Toowoomba (Queensland), Wodonga (Victoria) and Adelaide (South Australia). These complement our already established network of regional engagement officers. This is consistent with our strategic goal of strengthening engagement with the community. It puts the organisation in a better position to build closer relationships with Basin communities, source local information to inform policy development, and provide clear and accurate information about policy decisions back to Basin communities. This will enable us to more effectively deliver on our strategic goals and ensure that the water resources of the Basin are shared between all users, including the environment, in a sustainable way.

The 2017–18 plan is consistent with the requirements under paragraph 35(1) (b) of the Public Governance, Performance and Accountability Act 2013, Section 213A of the Commonwealth Water Act 2007, and Clause 34 of the Murray–Darling Basin Agreement.

Phillip Glyde
Chief Executive
Murray–Darling Basin Authority
ABOUT THE MURRAY–DARLING BASIN AUTHORITY

The Murray–Darling Basin Authority (MDBA) was established under the Commonwealth Water Act 2007 as an independent, expertise-based statutory agency. The Water Act established the MDBA with the functions and powers needed to ensure that Basin water resources are managed in an integrated and sustainable way that optimises economic, social and environmental outcomes for the long-term national interest. The MDBA is the only agency that can provide this expertise and oversight. MDBA activities are critical to assuring that the multi-billion dollar investment in water policy reform by the Commonwealth achieves the intended outcomes, through:

- improved certainty for all water users of the Basin which supports investment and growth in agricultural production, community infrastructure and small businesses
- fair and transparent sharing of the water of the Murray–Darling Basin for all users
- sustainable and integrated management of the water resources of the Murray–Darling Basin.

To assist the MDBA to deliver on the functions specified under the Water Act, the MDBA works in close collaboration with other Australian Government agencies, Basin state governments, local governments, regional bodies, industry groups, landholders, environmental organisations, scientists, research organisations and Murray–Darling Basin communities, including Aboriginal communities, and the broader Australian community.
**CORPORATE PLAN SNAPSHOT**

**Outcome**

Equitable and sustainable use of the Murray–Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice.

<table>
<thead>
<tr>
<th>Goals</th>
<th>Goal 1: Lead the implementation of the Basin Plan to achieve a healthy, working Basin.</th>
<th>Goal 2: Strengthen engagement with the community.</th>
<th>Goal 3: Evaluate and review the social, economic and environmental outcomes of Basin water reforms.</th>
<th>Goal 4: Operate the River Murray system efficiently for partner governments.</th>
<th>Goal 5: Improve the knowledge base to support sustainable water resource management.</th>
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</thead>
<tbody>
<tr>
<td>Activities</td>
<td>• SDL adjustments – complementary measures and constraints mechanism</td>
<td>• Decentralisation and regional presence</td>
<td>• Annual watering priorities</td>
<td>• Operate River Murray system</td>
<td>• Data and knowledge capabilities</td>
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<td></td>
<td>• WRP accreditation</td>
<td>• Regional Engagement Officers (REOs)</td>
<td>• 2017 Basin Plan evaluation report</td>
<td>• Dam safety</td>
<td></td>
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<td></td>
<td>• SDL accounting Cap factors</td>
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<td></td>
<td>• Infrastructure maintenance</td>
<td></td>
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<td>• Agriculture and industry awareness</td>
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**Key areas of risk**

Managing water for sustainability  
River management  
Stakeholder engagement  
Culture and capability  
Knowledge base and expertise
OUR PURPOSE

The MDBA is responsible for:

- implementing a plan for sustainable management of the Murray-Darling Basin’s water resources
- operating the River Murray system
- implementing other joint natural resource management programs
- undertaking relevant research, education, and compliance activities.

The functions of the MDBA include:

- preparing, implementing, evaluating and reviewing an integrated plan for the sustainable use of the Basin’s water resources
- operating the River Murray system and efficiently delivering water to users on behalf of partner governments
- measuring, monitoring and recording the quality and quantity of the Basin’s water resources and the condition of associated water dependent ecosystems
- supporting, encouraging and conducting research and investigations about the Basin’s water resources and dependent ecosystems
- disseminating information about the Basin’s water resources and dependent ecosystems
- engaging and educating the Australian community about the Basin’s water resources.

OUR FOCUS IN 2017–18

During 2017–18 the MDBA will continue to focus efforts on implementing the Basin plan, the key priorities are:

- finalising the Sustainable Diversion Limit (SDL) Adjustment Mechanism
- working with the Basin state governments to support the development of their constraints measure proposals, including consideration through SDL Adjustment Mechanism
- enhancing environmental, social and economic monitoring and evaluation work to understand the impacts and outcomes of Basin Plan water reforms on industries and communities
- strengthening our regulatory posture
- building capability and understanding Basin Plan impacts on the agricultural and industry sectors
- working with Basin state governments to facilitate the development, assessment and accreditation of water resource plans
- leading the coordination of environmental watering across the Basin through the publishing of the Basin Annual Watering Priorities
- increasing regional presence to leverage local knowledge through strengthening relationships with stakeholders from communities
- improving data and knowledge management capabilities to improve access to quality information.
The MDBA works within a legislative framework, supplemented by various state and territory government agreements, and supported by a robust governance structure. To effectively meet the challenges associated with a complex operating environment, the MDBA will continue to develop and maintain collaborative partnerships with Basin governments, communities, industries and other interest groups.

Legislative requirements

The Water Act establishes the MDBA as an independent agency responsible for developing and overseeing the Basin Plan and its planning and monitoring framework for the integrated management of the Basin’s water and other natural resources. The MDBA does this in a way that optimises economic, social and environmental outcomes in the national interest. The Act also sets out the MDBA’s role in relation to implementation of a range of joint programs under the Murray–Darling Basin Agreement (the Agreement).

Working with governments

The MDBA is charged with leading the implementation of the Basin Plan, as well as delivering a range of functions under the Agreement. The Agreement includes the management of River Murray Operations, which deals with the delivery of state water entitlements.

While the MDBA does have compliance powers in respect to the Basin Plan, it recognises that the best outcomes will be achieved by working together. As such, a large portion of the MDBA’s work is managed in close collaboration with agencies from Basin states (including the Australian Capital Territory) and other Commonwealth agencies. The Basin Plan represents a fundamental shift in water management in the Basin, by increasing emphasis on managing the Basin as a whole system.

While the MDBA’s Basin Plan functions are funded by the Commonwealth Government, the Murray–Darling Basin Agreement functions are jointly funded by the Commonwealth, New South Wales, Victoria, South Australia, Queensland, and Australian Capital Territory governments. These cost sharing arrangements vary according to whether the functions require investigation or construction and costs are to cover administration, operations or maintenance.
Governance arrangements

The governance arrangements covering the water resources of the Murray–Darling Basin have been developed to meet the changing economic, environmental and societal needs of Basin communities.

The MDBA reports to the Minister for Agriculture and Water Resources. The MDBA’s governance comprises:

- the Minister for Agriculture and Water Resources
- the six-member Murray–Darling Basin Authority
- the Murray–Darling Basin Ministerial Council
- the Basin Officials Committee
- the Basin Community Committee.

The MDBA consists of the six-member Authority, including the Chief Executive, and MDBA staff. The water resources of the Murray–Darling Basin is managed through a partnership of the Commonwealth and the governments of New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory (the Basin states).

The current governance arrangements are set out in the Water Act which establishes a Commonwealth-State cooperative arrangement for the management of Basin water resources operating under Commonwealth law. The governance arrangements are summarised in the diagram on the next page.
**CORE FUNCTIONS**

1. **The decision maker on the Basin Plan and chairs Ministerial Council**
   - The decision maker on the Basin Plan and chairs Ministerial Council.
   - Manages the River Murray system on behalf of joint governments.

2. **Responsible for developing, implementing, evaluating and reviewing the Basin Plan**
   - Responsible for developing, implementing, evaluating and reviewing the Basin Plan.
   - Manages the River Murray system on behalf of joint governments.

3. **Policy and decision-making roles on state water shares and funding of joint programs as per the MDB Agreement**
   - Policy and decision-making roles on state water shares and funding of joint programs as per the MDB Agreement.
   - Provides advice to the Authority and Ministerial Council on Basin community issues.

4. **Makes decisions consistent with the delegations from the Ministerial Council and advises on the Basin Plan**
   - Makes decisions consistent with the delegations from the Ministerial Council and advises on the Basin Plan.

5. **Provides advice to the Authority and Ministerial Council on Basin community issues**
   - Provides advice to the Authority and Ministerial Council on Basin community issues.
The Basin Plan is being progressively implemented over seven years, commencing in 2012, to allow time for the Basin state governments, communities and the Australian Government to work together to manage the changes required for achieving a healthy, working Basin. Accordingly, the measurement of key performance indicators will commence in line with the staged implementation of the Basin Plan and will mature over time. The key implementation stages are outlined on the right.

* Dates are in calendar year
The work of evaluating and monitoring performance of the Basin plan and associated reforms across the Basin involves:

- undertaking research and collecting data (e.g. facts and figures, trends, reports, surveys, interviews) in order to understand the impact of the Basin Plan implementation over time
- comparing change against ‘baseline’ information (before Basin-wide water reform), and determining the current health of the Basin’s environment
- bringing this information together and making an assessment about whether a range of objectives and outcomes (the things we set out to do) are being achieved; and whether the Basin Plan requires adjustment
- tracking the effect of other influences and drivers on outcomes in the Basin (where data is available), so that the costs and benefits of reform are being attributed to the right place. Such factors affecting the Basin’s economy, social systems and ecosystems could include:
  - commodity prices, exchange rates, national social and economic trends (for example, moving for new work opportunities like mining)
  - climate variability (including fire, flood and long-term changes)
  - other government programs (noting that we will not be evaluating the effectiveness of these program activities themselves)
- reflecting on what the MDBA has learnt and reporting to governments to guide their decision-making.

The MDBA monitors and measures its performance against the strategic goals and key performance indicators beginning on the next page.
**KEY PERFORMANCE INDICATORS**

**KP1: Implement MDBA responsibilities of the Basin Plan in accordance with legislative timeframes.**

- facilitating full implementation of all surface and groundwater SDLs, and water quality and salinity management plan
- facilitating efficient and effective water trading markets to improve the productivity of water use
- reviewing the northern basin settings of the Basin Plan in light of new environmental, social and economic information.

**FUNCTIONS**

This goal will be achieved by:

- supporting State governments to achieve accreditation of their water resource plans consistent with the Basin Plan
- coordinating whole-of-basin planning, prioritisation and use of environmental water to maximise the benefits from such water across the Basin
- delivery of the final SDL Adjustment Mechanism determination
STRATEGIC GOAL 2

Strengthen engagement with the community

Sustaining a healthy, working Basin is improved by effective engagement with the community to identify knowledge and common interests, formulate policy, ensure compliance and manage the rivers and its Basin assets.

Functions
This goal will be achieved by:

- expanding regional presence through Regional Engagement Officers and expanding the MDBA into regional offices
- providing information to the full range of stakeholders through various communication and engagement channels
- developing and delivering education strategies and activities to promote the importance of sustaining a healthy, working Basin.

KEY PERFORMANCE INDICATORS

KP2: Based on feedback through consultation, respond and adjust the MDBA's activities to improve effectiveness.

KP3: Informing and educating stakeholders and the community on the importance of sustaining a healthy, working Basin through a range of communications and education platforms.

Timeframe

17/18 | 18/19 | 19/20 | 20/21 | Future
STRATEGIC GOAL 3

Evaluate and report the social, economic and environmental outcomes of Basin water reforms

The MDBA is tracking progress of the triple bottom line outcomes (social, economic and environmental) from the Basin water reforms. Measuring the impact of the reforms is fundamental to gaining community confidence in the implementation process and supporting the reforms into the future. The MDBA will focus on building knowledge on whether the expected outcomes are being achieved, understanding any unintended consequences, addressing problems as they are identified and adjusting accordingly (adaptive management). As more elements of the Plan are in place and more effects can be tracked, the depth of this work will increase.

Functions
This goal will be achieved by monitoring, reporting and evaluation of:

• environmental outcomes of the Basin Plan, through the Basin Plan Evaluation Report.
• compliance with SDLs.
• social, economic and environmental outcomes of Basin water reforms.

KEY PERFORMANCE INDICATORS

KP4: 100% of monitoring and evaluation reviews conducted within statutory regulations.

Timeframe

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<tr>
<th>17/18</th>
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<th>Future</th>
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PAGE 15
STRATEGIC GOAL 4

Operate the River Murray system efficiently for partner governments

The MDBA, in partnership with Basin governments, will ensure the efficient, cost effective and transparent governance and delivery of the joint programs to safeguard the sustainable use of the Basin’s water resources in a manner that protects the environment, as well as benefits the communities and industries that depend on it.

Functions

This goal will be achieved by:

• building, operating, maintaining and improving River Murray system assets to achieve contemporary best practice standards
• improving and maintaining a healthy river system through the implementation of joint natural resource management (NRM) programs for partner governments.

KEY PERFORMANCE INDICATORS

KP5: River operations and programs are managed in accordance with:
• the Murray–Darling Basin Agreement and
• the Service Level Agreement between the Murray–Darling Basin Ministerial Council and the MDBA.

KP6: Build, maintain, and improve the River Murray system assets to achieve best practice standards in accordance with the Murray–Darling Basin Agreement.

KP7: Maintain and improve the health of the Basin in accordance with Murray–Darling Basin Agreement and the associated agreements.

Timeframe

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<th>17/18</th>
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<th>Future</th>
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MDBA | Corporate Plan 2017–18 to 2020–21
STRATEGIC GOAL 5

Improve the knowledge base to support sustainable water resource management

To support sustainable water resource management across the Basin, the MDBA recognises that knowledge, data and evidence is crucial in assisting with Basin Plan implementation, River Murray operations, and informing evaluations, reviews and new policy development.

Functions

This goal will be achieved by:

- investing in new water resource knowledge, in partnership with governments, scientists and communities, to support better decision making
- building knowledge of emerging technologies and practices in the Basin’s irrigated industries to better understand future water demand and support Basin Plan evaluation and review
- delivering integrated water resource modelling across the Basin
- improving the understanding of river health and the ecological response to environmental watering to enable adaptive management.

KEY PERFORMANCE INDICATORS

**KP8: The MDBA will provide Basin-wide technical advice, analysis and evidence to governments, industries and the wider community to support better decision making.**

**Timeframe**

17/18 18/19 19/20 20/21 Future
OUR FINANCIAL ARRANGEMENTS

The MDBA derives its funding from the following sources:

- Australian Government appropriation funding for its Basin Plan activities as required by the Water Act
- the delivery of the joint functions through jurisdictional contributions by the Basin governments and the Commonwealth Government, based on a cost sharing model as required by the Agreement to fund the delivery of the joint functions
- interest earned on retained funds
- other revenue, including the sale of assets, property revenues, hydro-generation and recovery of salinity mitigation and operation costs.


In realising MDBA goals, the organisation will focus on four priority areas to build the right workforce and organisational culture and will:

- build a dynamic, flexible and capable workforce with a ‘one organisation’ culture
- strengthen culture and leadership within the organisation
- secure a competent workforce
- be an organisation that respectfully engages its stakeholders.

Enabling services and capabilities

To respond to changing demands and to achieve its goals, the MDBA will align organisational strategies and priorities to continually build and improve on enabling services, by:

- improving and streamlining governance arrangements for more efficient and effective outcomes
- improving knowledge management and capabilities across the organisation
- exploring opportunities for the use of shared services
- enhancing financial and non-financial performance measurement frameworks
- improving financial system reporting.

Our Capability

Workforce and culture

The MDBA is a multi-disciplined organisation with a unique combination of talented employees. Our people have highly specialised skills and qualifications such as engineering, hydrology, environmental science and river operation. We draw people from all over the world. And importantly we have staff that come from the farms and regional towns and cities of the Basin who are keen to work where they have strong association.
OUR RISK MANAGEMENT APPROACH

The MDBA's approach to risk management is to drive a positive risk culture and engage proactively with risk at both the enterprise and operational level.

By ensuring that the agency’s behaviours and actions reflect best practice in risk management, the MDBA confidently identifies, analyses and manages its risks to optimise outcomes and efficiently deliver its objectives.

The MDBA reviews and updates its risk management framework (including its strategic risks) annually and maintains a risk assessment and treatment control register.

Managing water for sustainability

The MDBA’s vision is to achieve a healthy working Basin through the integrated management of water resources for the long-term benefit of the Australian community. This is achieved through commitment to delivering credible and defensible outcomes through the implementation of the Basin Plan, effective water management, including as a regulator of compliance with the Water Act and Basin Plan.

River management

The MDBA is responsible for managing the River Murray’s built assets, sharing the waters between the states, and directing operations to meet the state’s needs, as set out in the Murray–Darling Basin Agreement.

The MDBA uses contemporary best practice in the commissioning and maintenance of dam and related river infrastructure informed by relevant modelling and analysis. Long term strategies and plans that consider a wide range of possible climate and demand scenarios are used to ensure state water requirements.

Progress against the implementation of treatments is reported each quarter to the Authority, Ministerial Council and Basin Officials Committee. The table below identifies the MDBA strategic risks for 2017–18.

In establishing this corporate plan, the MDBA takes into account its annual risk assessment, risk management and fraud control plans. The MDBA maintains a Risk Management Framework based on the Australian Standard for Risk Management (AS/NZS ISO 31000:2009). The MDBA manages the following key areas of risk:
Stakeholder engagement

The MDBA understands the importance of our stakeholder and partner relationships in attaining the desired triple bottom line outcomes for the Basin. The ability to understand the diverse needs of, and collaborate effectively with, our stakeholders is critical to the success of the Basin Plan. The MDBA is achieving this through formal stakeholder consultation and our regionalisation program, including Regional Engagement Officers (REOs) and establishment of regional offices.

Culture and capability

Strong culture and capability are key to successfully delivering Basin wide outcomes. The MDBA demonstrates commitment to their staff through policies and programs relating to recruitment, learning and development, workforce and succession planning and staff wellbeing.

Knowledge base and expertise

To support sustainable water resource management across the Basin, the MDBA recognises that knowledge, data and evidence is crucial in assisting with Basin Plan implementation and reviews, River Murray operations, and informing policy and decision makers. The MDBA uses evidence-based decision making, investment in strategic research, and collaboration with knowledge partners to obtain the best available science. Monitoring and evaluation of Basin Plan reforms enables us to understand whether intended outcomes are being achieved, identify problems as they arise, and adjust management practices.

mdba.gov.au
1800 630 114
engagement@mdba.gov.au