Workshop Discussion Paper — Small Catchment Dams in the Moorabool and Maribyrnong catchments

Stakeholder Reference Group workshop, 3 September 2026

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1. Purpose

This paper has been prepared to inform participants ahead of the Small Catchment Dams workshop. It summarises the project's findings to date, sets out the broad approaches to respond to the findings of the SRW review (Alluvium, 2026) of the water resource risks in the upper Moorabool and Maribyrnong catchments, including opportunities identified by the Stakeholder Reference Group (SRG), and proposes questions for discussion at the workshop.

The workshop has two purposes:

- Provide a forum for SRG members to share their views and build our collective understanding on the feasibility of different approaches, including the potential for consequences not currently anticipated by agencies; and
- DEECA, SRW and other agencies to hear those different perspectives and, where appropriate, provide insight and reflection on agency considerations.

The workshop will provide DEECA, SRW and other agencies with further information as an input to the development of a DEECA-led action plan focused on small catchment dams. The action plan will be informed by the problem statements listed below (see item 3) but also consider broader perspectives beyond the SRW study.

Informed by meaningful community participation, the broader objective of the action plan will be that water resources and waterways are managed sustainably and equitably to deliver long-term benefits for current and future Victorians, and acknowledging existing water rights.

2. Where things stand

The Moorabool and Maribyrnong catchments are flow-stressed as documented in the SRW study. There is no unallocated water, and as such no additional volumes of surface water extraction can be licensed (new licences to take surface water can only be considered if they are traded from existing licence holders). Despite this, the total number and storage volume of small catchment dams continues to grow, most of which fall outside the licensing system because they are for domestic and stock use.

Water resource modelling and analysis has identified that adverse impacts to downstream waterway values and uses have increased in response to recent growth in the number and volume of small catchment dams. The modelling found there are greater impacts to water availability during dry years and in summer months, and that climate change is expected to amplify hydrological impacts further.

The expansion of small catchment dams affects the availability and reliability of water for existing users, the environment, Traditional Owners, agriculture and urban supplies. The impacts on these values are discussed in the SRW report.

Small catchment dams are critical for the viability of many farming enterprises and rural communities. Surface water stored in these dams provides water security for landholders and can be an important resource for fighting fires. In some circumstances, appropriately managed small catchment dams may also provide drought refugia for water-dependent environmental values.

The recent SRW report illustrated that stock and domestic dams account for a large proportion of the stored surface water held by landholders in the Moorabool and Maribyrnong. Further work has been undertaken by Agriculture Victoria to summarise the economic value of agricultural activities in the Moorabool and Maribyrnong catchments, in part supported by small catchment dams, shown in **Appendix E**.

A challenge is to identify management interventions that support these benefits, and the intent of domestic and stock rights (section 8 of the Water Act) while reversing the trend of increasing adverse impacts to downstream waterway values and uses.

Progressing appropriate improvements to the management of small catchment dams should improve the value proposition for all users in the catchments, including economic, social, cultural and environmental benefits.

It is relevant to consider this discussion in the context of the existing rules and legislative framework under the Water Act (summarised in **Appendix C**), and previous attempts to improve the management of small catchment dams (summarised in **Appendix B**).

3. The problems identified through the SRW review

The following problem statements have been drafted from the findings of the SRW review and our understanding of stakeholder concerns. They describe some elements of what a future action plan could be setting out to address.

1. **Cumulative impact is significant and growing.** The number and volume of compliant small catchment dams continues to grow, which reduces the water available downstream to existing users, the environment, cultural values and rural and urban consumptive users. This impact is greater in dry conditions and is expected to worsen under climate change.

2. **Challenges with data, compliance and regulation.** Community concerns have been raised about licensing and compliance of dams. Licensing and compliance activities are resource intensive and require supporting data. Responsibility for small catchment dams is shared across DEECA, rural water corporations, catchment management authorities, and local government, including dams that fall under planning schemes. Dam owners themselves also have responsibilities.

4. Levers available for improved management

Government and agencies have a range of levers they can use to respond to these problems. Throughout this paper these are referred to as management levers: the different kinds of actions that can be taken to bring about a change. Some levers can be used within the current framework; others would require a change to policy, guidance or legislation.

The opportunities identified by the SRG have been grouped into five types of levers, set out in **Table 1**. This grouping is a modified version of the themes used in the SRW review, adjusted so that each group reflects the kind of action needed to progress it.

Table 1 introduces the five levers. A fuller breakdown, with example opportunities drawn from the SRG's list, with agency thoughts on level of impact, costs and complexity, is provided in **Appendix A**.

Table 1: Types of opportunities / Management levers

Opportunity type / delivery lever	What this type of opportunity covers
Data, research and information	Collecting data, publishing information, and undertaking studies and research to build a shared understanding of small catchment dams and their effects on catchments.
Education and communication	Supporting rural water corporations, councils and extension agencies improve how they communicate with landholders about their rights, responsibilities and the reasons management matters.
On-ground funding and incentives	Supporting landholders directly to manage their dams to maximise benefits and minimise negative impacts, through funding, incentives or on-farm works.
Licensing and compliance	Supporting agency operations for effective licensing decisions, and supporting compliance with existing rules, and taking action when those rules are not followed, including compliance monitoring and enforcement of licence conditions or prohibited activity.
Legislation, policy, and guidance	Opportunities that would require a change to current policy, guidance or the legislative framework itself, rather than being achievable under existing settings. This ranges from updating guidelines through to reform of the Water Act.

5. Workshop discussion considerations

The workshop discussion is intended to enrich the information available to DEECA when it develops the action plan. The questions below are proposed as prompts. Discussion will tend to focus on the approaches that need further clarification, or where views differ between SRG members.

The workshop will aim to obtain stakeholder feedback on questions such as:

- Do these problem statements identify the key issues?
- What impact (outcomes) do you think the type of opportunity will provide?
- What challenges do you see in delivering each type of opportunity, and why?
- What is the appetite for quick wins compared to long-term, slower gains?
- Are there any key points of agreement or difference emerging from the work to date?

6. Next steps

Improving the management of small catchment dams will require a multi-pronged approach with a combination of complementary measures across the range of levers. Several improvements to the management of small catchment dams are ongoing and underway. These improvements will continue in parallel (summarised in **Appendix D).** The discussion at this workshop will feed into a DEECA-led action plan, which will set out actions and timeframes.

Appendices

Appendix A: Management levers as a frame for viewing opportunities, with example opportunities, advantages, challenges and delivery considerations

Appendix B: Learning from previous water resource management efforts.

Appendix C: Domestic and stock water use — legislation, policy and operational practice (paper from SRG meeting 2, 18 March 2025; noting this only covers licence requirements from Water Act perspective).

Appendix D: Existing activities underway.

Appendix E: Land use and agricultural economy profile.