

The relationship between regional water strategies, water sharing plans and water resource plans

The Department of Planning, Industry and Environment is preparing 12 regional water strategies. These strategies have a 20 to 40 year planning horizon, and so aim to understand how much water a region will need to meet future demand, the challenges and choices involved in meeting those needs, and the actions we can take to manage risks to water availability.

Regional water strategies

Regional water strategies will set out a long-term roadmap of options to deliver five objectives:

1. deliver and manage water for local communities
2. enable economic prosperity
3. recognise and protect Aboriginal water rights, interests and access to water
4. protect and enhance the environment
5. affordability.

Options included in the final strategy for each region will address at least one of these objectives. The options presented within regional water strategies will also work within, or recommend changes to, the policies and plans (as described below) that guide how we manage our water resources in New South Wales.

The strategies bring together the most up-to-date information and evidence with all the tools we have — policy, regulatory, educational, technology and infrastructure solutions — in an integrated package.

Water sharing plans

The NSW *Water Management Act 2000* (the Act) establishes the framework for sharing water between the environment and water users who have a basic right to water and licensed water users and sets out priorities for water access.

NSW water sharing plans¹ then set the rules for how water is shared between the environment and water users, and set the limits on water extraction, defining when, where and how much water can be taken. Water sharing plans exist for a 10-year period, at the end of which time they are replaced, with or without changes.

Review of an individual water sharing plan takes place after each 10-year period when the plan is due to be remade. During the 10-year period when a water sharing plan is in place, the scope for making changes to a plan is limited by the Act.² This approach provides certainty to water users in the plan area about the rules for sharing and allocating water for the 10-year period, which is important to enable water users to plan their business activities.

Water sharing plans will remain the legislative instrument for NSW for water sharing arrangements and will continue to be a key mechanism to implement the objectives of the Act. They will continue to provide the rules for accessing and trading water for water users in NSW.

¹ www.industry.nsw.gov.au/water/plans-programs/water-sharing-plans

² *Water Management Act 2000*, section 45(1). www.classic.austlii.edu.au/au/legis/nsw/consol_act/wma2000166/s45.html

You can find an overview of the water sharing plans in place in NSW and their replacement timelines on the department's website³.

Water resource plans

In the Murray–Darling Basin⁴, the Commonwealth *Basin Plan 2012*⁵ provides a further level of regulation. It sets the limits on how much water can be extracted from water sources in the Basin over the long term. It includes requirements for no net reduction in the protection of planned environmental water and sets water sharing arrangements between the states.

The 20 draft water resource plans⁶ developed for NSW play an integral role in implementing the Basin Plan. They set out arrangements for sharing water, meeting environmental and water quality objectives, and consider potential and emerging risks to water resources. They incorporate the water sharing arrangements implemented through water sharing plans.

NSW currently has no accredited water resource plans, but all 11 groundwater water resource plans have been submitted to the Murray–Darling Basin Authority for accreditation. The accreditation timeline for both the groundwater and surface water sources is still uncertain.

Figure 2 outlines the NSW water policy and planning context. This is further explained in the Regional Water Strategies Guide⁷.

How the regional water strategies relate to water sharing plans and water resource plans

Regional water strategies are non-statutory, long-term (20- to 40-year) strategies that will be developed based on the latest and most up-to-date information. Given that more data is now available, they may potentially inform future policy, regulation and planning instruments, including water sharing plans, through an iterative process.

More specifically, it is possible that changes to water sharing plans will be informed by the:

- new modelling data gathered through regional water strategies, in terms of climate variability and climate change risks⁸
- outcomes of community engagement that are providing a better understanding of future water requirements.

Using new climate data, each regional water strategy will develop a portfolio of options that meets one or more of the objectives of the regional water strategies. Once each strategy is finalised, each option will have to be further developed. Depending on the scale and type, some options will require approval through extensive planning approval pathways.⁹

Some strategy options may propose amendments or trigger reviews of water sharing plans. The timing of these potential amendments would depend on the:

- further development of the regional water strategies options
- rules for amending the water sharing plan

³ www.industry.nsw.gov.au/water/plans-programs/water-sharing-plans/status/

⁴ www.mdba.gov.au/discover-basin

⁵ www.legislation.gov.au/Details/F2018C00451

⁶ www.industry.nsw.gov.au/water/plans-programs/water-resource-plans

⁷ www.dpie.nsw.gov.au/regional-water-strategies

⁸ www.dpie.nsw.gov.au/new-climate-data-and-modelling

⁹ www.planning.nsw.gov.au/Assess-and-Regulate/Development-Assessment/Planning-Approval-Pathways

- timing for reviewing and remaking a water sharing plan
- requirements under the planning approvals that may be required.

Water sharing plans can be amended at any time if it is in the public interest to do so, not just at their 10-year remake. This will happen as part of the implementation phase of approved regional water strategies, not just in response to any agreed changes to our approach to allocating water, but also as any new, approved infrastructure is completed.

For regional water strategy options within the Murray–Darling Basin, additional considerations are essential because of the obligation to align with the requirements of the Basin Plan. If changes are required to water sharing arrangements that have been accredited as part of a water resource plan, these changes will need to be re-assessed by the Murray–Darling Basin Authority to ensure they meet Basin Plan requirements. Water resource plans will need to be resubmitted for accreditation.

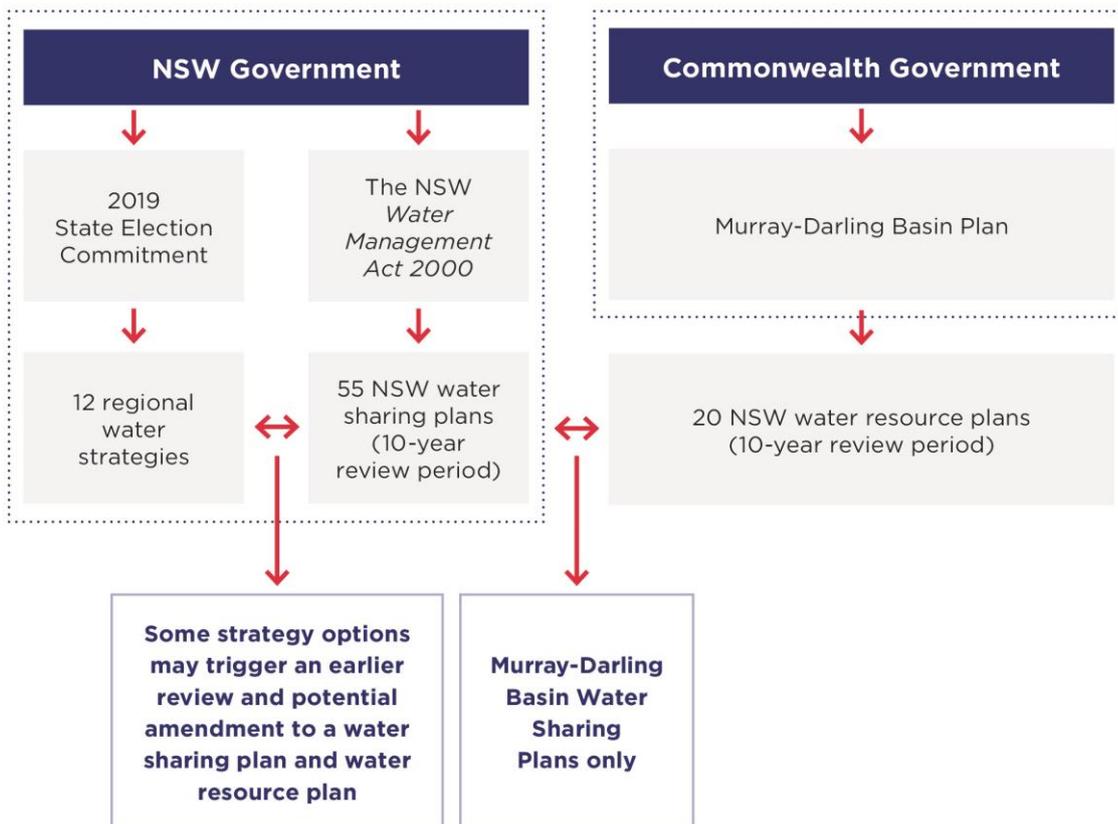


Figure 1. The relationship between regional water strategies, water sharing plans and water resource plans

Timelines of regional water strategy implementation

The Hunter Regional Water Strategy is the only strategy that has been finalised.

The remaining 11 draft strategies are currently being developed and are due to be released for public exhibition in mid- to late-2020. Given that options are currently being developed and assessed for these regions, the implications of regional water strategies, if any, to water sharing plans are still unknown and will be unknown until finalisation of the strategies.

It is unlikely that the regional water strategies will be implemented in time to have any effect on water sharing plans that are scheduled to be replaced in the 2020–21 financial year.

All the regional water strategies will go through extensive targeted engagement with councils, Aboriginal communities and peak organisations, as well as community engagement, before being finalised in 2021.

All replacement water sharing plans will also go through extensive targeted and community consultation, as will any material amendments proposed to water sharing plans as a result of regional water strategies.

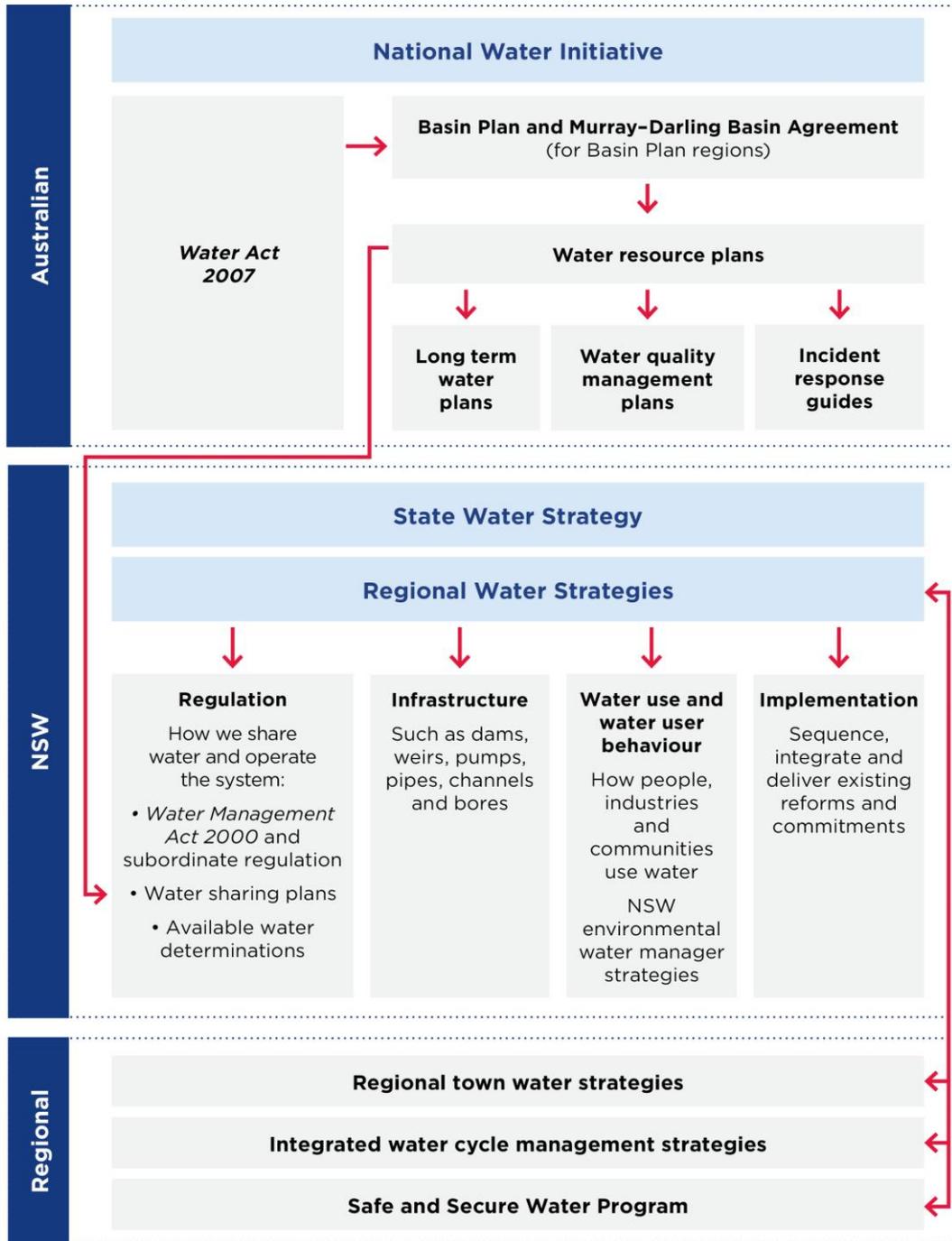


Figure 2. NSW water policy and planning context

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