

Town Water Risk Reduction Program—Outcomes and action items

Meeting 8 | 25 August 2021, 9:30 – 11:30 am

Attendees

Table 1. Attendees.

Invitees	Guests	Others
<ul style="list-style-type: none"> • Clr Bill West, Local Government NSW • Mr Brendan Guiney, NSW Water Directorate • Ms Rebel Thomson Executive Officer Namoi Joint Organisation of Councils • Mr Aaron Drenovski, General Manager, Goldenfields Water County Council • Mr Graham Kennett, General Manager, Kyogle Council • Mr David Kirby, LWU Manager, Brewarrina Shire Council • Dr Annalisa Contos, Principal Consultant, Atom Consulting • Dr Katrina Wall, Acting Manager NSW Health Water Unit • Mr Peter Marczan, Manager Technical Assessments and Advice, Environment Protection Authority • Mr Michael Blackmore, Director Water Utilities, DPIE Water • Ms Melissa Gibbs, Director Policy & Sector Development, OLG 	<ul style="list-style-type: none"> • Mr Sanjiv Sathiah, Senior Policy Officer, Infrastructure and Finance, LGNSW • Ms Carmel Krogh OAM, TWRRP Program Advisor • Ms Amanda Chadwick, Executive Director Water Sector Reform, DPIE Water • Mr Graham Attenborough, Chief Operating Officer, DPIE Water • Ms Ingrid Emery, Executive Director Project Interfaces and Program Management, Water Infrastructure NSW (for item 3). 	<p>Town Water Risk Reduction Program team members:</p> <ul style="list-style-type: none"> • Ms Erin Cini – Director (Chair) • Mr Sascha Moege • Mr Glen Colley (Secretariat) • Dr Nanda Altavilla • Mr Josh Tickell • Mr Padraic Gidney • Mr Andrew Fraser.

Apologies

- N/A

Outcomes

Table 2. Agenda items and outcomes.

Agenda item	Outcomes
1	Acknowledgement of country/welcome
2	Outcomes/actions from the previous meeting <ul style="list-style-type: none">• All action items from the 28 July 2021 meeting were complete except:<ul style="list-style-type: none">○ Productivity commission white paper – Advice from Sophie Hall - <i>there is no government response to the White Paper as this is a NSW Government paper that was considered by Cabinet before release. Water Group was consulted on the Cabinet submission and supported it based on the White Paper recommendations being consistent with current water policy agenda.</i>○ The co-regulators discussion (requested at the 28 July meeting) is scheduled to be held at the September meeting.

3

Engaging with LWUs on the Safe and Secure Water Program - discussion

- Ingrid Emery of Water Infrastructure NSW (WINSW) provided an update on the Safe and Secure Water Program.
- Feedback was requested from the Panel on what other challenges LWUs are facing in delivering projects, and potential solutions.

GUIDANCE:

Importance of project planning and development

- Project planning and development phase is the biggest barrier to project delivery (regulatory/planning approvals/risk, land matters, funding issues, water resourcing issues); this needs to be addressed for less well-resourced/capable councils/LWUs.
- Delivery of planned projects is not the problem. If there was a body to develop these projects to the point where they are genuinely shovel ready, then this is the biggest barrier to overcome (and will result in the greatest improvement in outcomes).

Regional/local considerations

- The commercial model that PWA operates under doesn't always work for regional councils. There is a perception that for some services/projects because the cost is too high.
- WINSW should ensure that it takes advantage of existing bodies/agencies with a regional presence, so that any support is in touch with local communities and not centralised from Sydney. All communities should have fair access to infrastructure spending.
- Local contractors are often reluctant to bid for sub-contract work on big tier 1 projects (at least in part due to past experience). WINSW should make design issues clearer so that local contractors don't need to find a design consultant (which increases the cost).
 - WINSW needs to be sure that it doesn't establish a system that prevents or discourages local contractors from bidding for contracts (big infrastructure projects often use contractors from Sydney, to the detriment of local, regional economies). For example, while smaller, local operators are often more cost effective they don't meet the State requirements, which prevents them from tendering.
 - WINSW should consider innovative contract management approaches. For example, period payment to contractors, to deliver projects in smaller chunks (which results in more local project management being needed).

Understanding the role of Water Infrastructure NSW

- There is uncertainty in the industry about the role of WINSW and how it fits with other existing NSW Government water agencies. WINSW will need to ensure that this is not duplicating existing services, or this will not be viewed favourably by the local water utility sector.
- Until WINSW publicly defines what it does and where it fits, it runs the risk of local government being confused and not engaged. Eg. there is concern on the ground that WINSW is going to unpick progress that has already occurred in some projects.

Agenda item	Outcomes
	<ul style="list-style-type: none">○ Ingrid Emery confirmed that the Government is not backing down from its commitments. <p><i>Improving internal Government coordination is essential to success</i></p> <ul style="list-style-type: none">● In the past there have been instances where multiple government agencies involved in water management have had a lack of consistent integration and coordination between them. It would be disappointing to see this occurring with infrastructure delivery with the creation of WINSW.● There is a trend by Government to be too optimistic in about costs and timelines. For example, the myth of shovel ready projects whereas in reality, approval timelines are often up to 10 years for big projects. Interagency approvals are often a key barrier in terms of timeframes. Brownfield sites cause a big problem and often result in higher costs than first anticipated and councils usually (contractually) bear the cost risks of blow outs/changes.● There needs to be better coordination effort between relevant Government agencies— what we are seeing is a disconnection between government agencies (eg. Crown lands land acquisition process is a big disincentive, to the point that good options get passed over because of the difficulty of this process.). If the government coordination effort was more centralised it would mean some of these issues could be addressed more efficiently and reduce hurdles.<ul style="list-style-type: none">○ The TWRRP team will follow up on Crown Lands acquisition issues with Glenn George and Graham Kennett, with a view to determining whether there is anything that can be done in terms of approaching DPIE – Crown Lands to resolve. <p><i>Other issues</i></p> <ul style="list-style-type: none">● There are equity issues in relation to councils who can't afford to make a co-contribution being excluded from accessing infrastructure funding.<ul style="list-style-type: none">○ Ingrid Emery advised that WINSW is trying to assist in this regard by working with TCorp about funding access.○ It was acknowledged that the CSO work of TWRRP may provide some options here about how to make it easier for councils to access capital for infrastructure, and also to be able to maintain the assets as well.○ Consideration needs to be given to the capacity of Local Water Utilities to be financially sustainable. However, WINSW needs to make sure it is clear that that amalgamations are definitely off the table. LWUS still need to be independent organisations.

Agenda item	Outcomes
4	<p>Emerging risks: COVID-19 restrictions, Council elections, induction, and IP&R timing - update</p> <ul style="list-style-type: none"> Panel members were asked to think about the potential for COVID-19 restrictions in regional areas to impact the ability of councils to participate in the Town Water Risk Reduction Program (eg, engagement and consultation). A further discussion about this issue will be held at the September Panel meeting, when we expect more certainty about ongoing restrictions in regional NSW. Melissa Gibbs of OLG gave an overview of the current state of NSW local government elections, which have been postponed until 4 December 2021. Consequently, councillor induction will take place in January 2022. The IP&R planning cycle will not be affected by the changes with the next round of IP&R due to commence on 1 July 2022. OLG has been working to promote various covid related support available for councils including job retention allowance being reinstated. LGNSW's human resource online workshops for locked down councils were also acknowledged as being very well received by councils.
5	<p>Regulatory framework - update</p> <ul style="list-style-type: none"> The TWRRP team gave an overview of progress on developing a new regulatory framework, including advising that a regulatory strategist will be engaged to assist. As there has been lower than expected responses in relation to regulatory working group expressions of interest, the deadline for submissions has been extended for two weeks. The TWRRP team will be promoting this more and also asked the Water Directorate and LGNSW to promote these too.
6	<p>IP&R/IWCM integration project - update</p> <ul style="list-style-type: none"> The TWRRP team provided an overview of progress on this project, including advising that a meeting will be held with DPIE Water's Local Water Utilities Team, OLG, LGNSW and the Water Directorate on 2 September to advise of key findings and proposed next steps. The involvement of the Water Directorate in reviewing existing findings and suggested good practice approach was acknowledged. The team will send a copy of the review report and key findings/suggested way forward summary video to Panel members when these are available. Panel members were also asked to comment on a list of councils proposed for targeted consultation on this project in September 2021. The panel members suggested that Griffith City Council and Kyogle Council be added to the list.

Agenda item	Outcomes
7	<p>Skills and training - update</p> <ul style="list-style-type: none">• The TWRRP team provided an overview of progress to date.• The team will send the councillor induction presentation pack (including videos) to panel members by Wednesday 8 September, for Panel members to review before sharing feedback at the September Panel meeting.• There was no further feedback from panel members.
8	<p>Potential pilots for SOCs – discussion</p> <ul style="list-style-type: none">• The TWRRP team provided an overview of progress to date.• It was noted that the presentation slides had been updated and will be sent to Panel members following the meeting.• It was noted that, while the TWRRP may be looking at priority risks in this area (determined in consultation with other agencies responsible for emergency management), the team should be careful to ensure that all risks are captured and noted. This will help ensure that the program is not just addressing the quick wins/easy to implement risk mitigations but is in fact aware of all of them and can consider them in context.• Panel members were asked to provide any additional feedback to the TWRRP team
9	<p>Emergency management focus group – update</p> <ul style="list-style-type: none">• The TWRRP team provided an overview of progress to date.• There was no specific feedback provided.
10	<p>TWRRP engagement summary</p> <ul style="list-style-type: none">• The TWRRP team provided an overview of the engagement undertaken in the previous month.• It was noted that future TWRRP engagement summaries will not include business as usual and project implementation meeting (eg. IWCM pilot kick off meetings etc)

Agenda item	Outcomes
11	<p>Other matters</p> <ul style="list-style-type: none"> For transparency, the TWRRP team was asked to provide the Panel with a list of all existing structured consultation mechanisms (working groups, focussed team etc). It was noted that a document mapping these out would also help participants understand what part of the program they are participating in. It was noted that this would also enable to the team to identify gaps and allow the Water Directorate to target promotion to the right people. The TWRRP team committed to coming back at the September Panel meeting with a map/outline of the existing and planned consultation mechanisms. The team was reminded to try to reach the quieter voices/silent to date, so that not only the vocal stakeholders are heard. There was a discussion about whether other agencies should be invited to provide commentary in the SAP meetings re significant work and updates, in particular, how the co-regulators (OLG, NSW Health, EPA, NRAR and Dam Safety) see their involvement in the delivery of actions in draft roadmap? The TWRRP team will invite co-regulators to share their perspectives during the co-regulator discussion item in the September Panel meeting.
12	<p>Panel items for discussion – No items were raised.</p>
13	<p>Next meeting</p> <ul style="list-style-type: none"> 22 September 2021, 9:30-11:30 am.

Actions arising from 25 August 2021 meeting

Table 3. Summary of actions.

Item no.	Action	Responsibility	Due date
8.1	Follow up Kyogle Crown Lands issues with Kyogle Council and DPIE Water Utilities Team, and discuss with DPIE – Crown Lands.	TWRRP team	22 September 2021
8.2	Assist in the promotion of expressions of interest for TWRRP regulatory working groups.	Water Directorate, LGNSW	13 September 2021
8.3	Send a copy of the IWCM/IP&R integration project report and summary video to Panel members for comment.	TWRRP team	8 September 2021
8.4	Send a copy of the councillor induction presentation to Panel members for comment.	TWRRP team	8 September 2021

Item no.	Action	Responsibility	Due date
8.5	Provide comments to TWRRP team on the councillor induction presentation (will be sent on 8 September) during the next Panel meeting.	Panel members	22 September 2021
8.6	Provide comments to TWRRP team on potential pilots for SOC support	Panel members	22 September 2021
8.7	Send Panel members the updated slide pack from the 25 August meeting.	TWRRP team	26 August 2021
8.8	Provide an overview of existing consultation mechanisms (working groups, focus teams etc) to the Panel at the next meeting.	TWRRP team	22 September 2021
8.9	Invite co-regulators to outline their view of their involvement in the delivery of the regulatory roadmap at the next Panel meeting.	TWRRP team	By 22 September 2021

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