

Town Water Risk Reduction Program—Outcomes and action items

Meeting 1 | 24 February 2021, 9:00 – 11:00 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 Thompson, Executive Officer Namoi Joint Organisation of Councils • Dr Annalisa Contos, Atom consulting (Consultant representative) • Mr David Kirby, Brewarrina Shire Council (LWU manager) • Dr Katrina Wall, NSW Health Water Unit • Mr Peter Marczan, Environment Protection Authority • Mr Michael Blackmore, Director Local Water Utilities, DPIE – Water • Ms Leah Schramm, OLG (for Luke Walton) • Mr Aaron Drenovski, Goldenfields Water (County Council member) • Mr Graham Kennett, Kyogle Council (LWU General Manager member) • Ms Amanda Chadwick, Executive Director Water Sector Reform, DPIE – Water (Chair for this meeting) 	<ul style="list-style-type: none"> • Mr Jim Bentley, CEO - DPIE – Water • Mr Sanjiv Sathiah, Senior Policy Officer, Infrastructure and Finance, LGNSW • Ms Melissa Gibbs, Director Policy & Sector Development, OLG • Dr Richard Broome, Director, Environmental Health, NSW Health • Ms Erin Cini – Director Town Water Risk Reduction Program (commencing 8 March and future Chair of the Panel). 	<p>Town Water Risk Reduction Program team members:</p> <ul style="list-style-type: none"> • Sascha Moege • Nanda Altavilla • Josh Tickell • Padraic Gidney • Glen Colley

Outcomes

Table 2. Agenda items and outcomes.

Agenda item	Outcomes
1	Acknowledgement of country/welcome
2	Introductions
3	Overview of the TWRRP
	N/A

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Discussion re problem definition and proposed focus areas

a. Problem definition

- SAP broadly agreed on the proposed problem definition and the fundamental barriers to performance and effective risk management in the local water utilities sector.
- Concerns were raised over the lack of emphasis on the performance of state government regulators/agencies as a fundamental barrier (agencies capability to work in partnership and in a coordinated fashion with LWUs on regulatory and strategic planning matters).
- Concerns were raised over some of the language used in program communication being reflective of a “master and servant” relationship; i.e. appearing to lay focus solely at the local government sector issues without recognising capability gaps and systems deficiencies at the state government level; as well as being “too bureaucratic” and thus not being conducive to promoting collaboration.
- SAP questioned whether the certainty on/guarantee of town water security in the water sharing and water allocation process (related to water security risks) needed to be considered as a fundamental barrier and included as a focus area.
- SAP suggested consideration of an additional focus area on the issue of knowledge capture

GUIDANCE: Program team to consider in terms of problem definition and focus areas, as well as program communication more generally.

ACTION 1.1: Program team to facilitate discussion on the “language issue” at the next SAP meeting.

ACTION 1.2: Program team clarify scope of the program with respect to considering the certainty on/guarantee of town water security in the water sharing and water allocation process.

b. Program objectives

- SAP suggested more clarity was needed on the program’s long-term and two-year term objectives as well as on the relationship between service risks, problem definition (i.e. fundamental barriers) and focus areas in the context of these objectives.
- SAP questioned the appropriateness of applying the outcomes of service risk assessments under the SSWP framework to describe sector challenges in a holistic manner.
- Concerns were raised concerns over the lack of sector involvement in the design of the SSWP risk assessment framework, limitations if the risk assessment undertaken through SSWP for infrastructure funding purposes were repurposed for other activities (e.g. issues not fully considered in SSWP such as challenges of un-serviced towns, data gaps), and the inclusion of a population moderation in the risk assessment method for water security and environmental impact risk.
- Without distinguishing between for holistic purposes and risk assessment for funding prioritisation, some members felt that a risk prioritisation framework designed to inform government funding decision might not be the most appropriate tool to understanding sector risks adequately.

GUIDANCE: Program team to consider as part of work on program objectives and program logic.

GUIDANCE: Program team to consider as part of focus area of improving the regulatory and support framework, particularly given application of a risk assessment process is one way to inform proportionate and risk-based regulation.

ACTION 1.3: Program team to improve clarity of objectives and program logic and discuss with SAP.

c. Discussion of improving the regulatory and support framework focus area

- SAP members commenced detailed discussion on the focus area of improving the regulatory and support framework.
- SAP advised that further discussion was needed as to why matters that currently are subject to regulation (e.g. strategic service planning, infrastructure, pricing, drinking water quality/risk, environmental discharges/risk) needed to be undertaken by LWUs and why the NSW Government needed to be involved (as regulator) and, if so, in what way.
- SAP advised that the review/design of an improved regulatory and support framework should consider:
 - Whether/what expectations for urban water service outcomes needed to be set, how and by whom, and how responsibility for, and risks associated with, meeting service outcomes are shared between local and state government.
 - That the current regulatory framework lacked clear regulatory objectives to guide and support the design, implementation and continuous improvement of the framework.
 - Instances where regulators had been acting in a conflicting manner, making it difficult for LWUs to understand regulatory priorities.

GUIDANCE: Program team to consider as part of focus area of improving the regulatory and support framework.

d. Discussion of improving the skills and capability focus area

- SAP members commenced detailed discussion on the skills and capability focus area.
- SAP noted the proposed scope of the focus area and the information provided by the program team about some recent developments with respect to effort in the vocational education space to address market failures in accredited water operator training.
- SAP suggested that there was significant amount of work being done elsewhere on addressing problems in this area of water industry training in NSW. It was suggested that the program should leverage on this work.
- SAP suggested that the issues relating to water operator skills shortages are not unique to the water businesses of regional councils but are being faced by regional councils more generally across their activities.
- SAP highlighted the importance of considering the capability and support for council decision makers. Mayor West was asked to provide feedback on the things that he wished he had known about the water management role and responsibilities of councillors when he was elected.

GUIDANCE: Program team to consider in the focus area on skills and capability.

Agenda item	Outcomes
	<p>ACTION 1.4: Program team to approach Mayor West to provide feedback about the things he wished he knew about the water management role and responsibilities of councillors when he was elected and how he would advise new councillors.</p> <ul style="list-style-type: none"> Due to time restrictions, the SAP was unable to discuss the remaining three proposed focus areas (Encouraging collaboration between utilities; Facilitate greater State Government support and Investigate alternate funding models). These is to be discussed at the next meeting in the week of 8 March 2021.
5	<p>Governance and proposed engagement approach (including the role of the SAP)</p> <ul style="list-style-type: none"> SAP noted and supported the proposed engagement principles and the SAP terms of reference. However, due to time restrictions, formal endorsement of the terms of reference did not occur. This is to be discussed at the next meeting in the week of 8 March 2021.
6	<p>Next meeting, wrap up and close</p> <ul style="list-style-type: none"> Next meeting to be held in the week of 8 March 2021. Meetings to be held fortnightly initially, and then move to a monthly meeting cycle from April 2021.

Actions arising from 24 February 2021 meeting

Table 3. Summary of actions.

Item no.	Action	Responsibility	Due date
1.1	Facilitate discussion on the “language issue” at the next SAP meeting.	Program team	Next meeting
1.2	Clarify scope of the program with respect to considering lack of certainty on/guarantee of town water security in the water sharing and water allocation process.	Program team	Next meeting
1.3	Improve clarity of objectives and program logic and discuss with SAP.	Program team	ASAP
1.4	Approach Mayor West to provide feedback about the things he wished he knew about the water management role and responsibilities of councillors when he was elected and how he would advise new councillors.	Program team	Before next meeting