



# Town Water Risk Reduction Program

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Stakeholder Advisory Panel

# What we will cover today

## Preliminaries

- Acknowledgement of country
- Welcome
- Administrative matters
- Outcomes and actions arising

## Updates

- Working groups
- Co-regulator commitment
- Secure Yield Analysis project
- IWCM pilots
- WaterNSW pilots
- Implementation

## Discussion

- Councillor awareness training

## Other matters

- Panel member issues
- Next meeting and a look ahead



# Administrative matters



# Administrative matters

- Feedback on the previous meeting's minutes
- Declarations of conflicts of interest.

# Outcomes and actions arising



# Outcomes and actions arising

- Confirmation of minutes.

# Councillor awareness and training - discussion



# Councillor awareness and training

Objectives are to:

- Increase awareness risks in water management
- Clarify roles and responsibilities of Councillors and other decision-makers in managing water risks
- Support Councillors to making decisions and managing local water utilities
- Assist local water utilities to provide safe and secure water for their communities



# Councillor awareness and training

- Uses Plain English
- Materials available on the department website and freely shared with OLG, LGNSW and Water Directorate and councils.
- Includes:
  - **Water Industry Induction Handbook** (draft shared with the Panel prior to the meeting) an adjunct to the Councillor Induction Handbook that is produced by OLG with support from LGNSW. Comprehensive guide to water management, covering, risk awareness, legislative responsibilities, water planning. This will be ready early February.
  - A range of **case studies** where Councillors have ‘touch points’ with water management: e.g., boil water alert, sewage spills
  - **Councillor induction webinar** (scheduled by OLG for 23 April 2022) part of the new councillor induction series conducted by OLG in early 2022. a introduction to the wide water functions that may be carried out by the local water utility. The webinar will feature 3-5 short video interviews with Councillors and General Managers to share their experiences and knowledge.

# Water industry induction handbook

- Draft Water Industry Induction Handbook shared with the Panel, seeking feedback from:
  - Stakeholder Advisory Panel members
  - Co-regulators
  - LGNSW
  - Water Directorate
  - Interested stakeholders
- Feedback due by 17 December 2021
- Will be finalised and available in mid-February 2022.
- Expect to continually improve and update the Handbook.

# Water industry induction handbook - discussion

Considering the draft Handbook

- Is the information relevant?
- Is it pitched at the right level for new Councillors?
- Is there anything that we have missed?

We welcome specific comments and feedback on the document via email.

# Roadmap working groups - update



# Roadmap working groups - update

- Working groups are currently working on vision, outcomes, principles and approach for regulation strategic planning and for technical assessment and approvals.
- Note: Groups are to design complete improved regulatory frameworks by end of March 2021 for formal public consultation.
- Iteration process is ongoing.

# Roadmap working groups – design approach

**Sections 1, 2 and 3 of the framework will be crafted in December, based on Workshops 1 and 2, and additional written feedback:**

## *Indicative structure*

### **1. Background to regulatory framework**

- 1.1 Regulatory system stakeholders
- 1.2 Regulatory framework for local water utilities

### **2. Vision for regulating local water utilities**

- 2.1 Our vision for the regulation of local water utilities
- 2.2 Success in strategic planning
- 2.3 Success in technical assessments and approvals
- 2.4 Roles and responsibilities in meeting this vision

### **3. Approach to regulation**

- 3.1 Guiding regulatory principles for our framework
- 3.2 Our approach to regulation: how the Department will regulate LWUs
- 3.3 Outline of processes and obligations for LWUs: how LWUs will experience regulation
- 3.4 Our approach to data collection and insights

**Section 4 – 7 of the framework will be co-designed with you next year:**

## *Indicative structure*

### **4. Processes for regulation**

- 4.1 Agreed process for strategic planning
- 4.2 Agreed process for technical assessments and approvals
- 4.3 Support provided to enable these processes to be followed

### **5. Performance Monitoring**

- 5.1 Approach to performance monitoring
- 5.2 Intervention where performance is unsatisfactory
- 5.3 Risk-based targets for oversight

### **6. Consistent decision-making**

- 6.1 Consistent process for regulatory decisions
- 6.2 Consistent criteria for decision-making
- 6.3 Timely communication of decisions
- 6.4 Review of decisions

### **7. Consistent decision-making across government**

- 7.1 Multiple regulators have responsibility for aspects of the work for local water utilities
- 7.2 Aspects are led by DPIE
- 7.3 DPIE will support its peer agencies in other aspects

## Roadmap working groups – draft vision

*“Safe, secure, accessible and affordable water and sewerage services for healthy and resilient communities, businesses and the environment, now and into the future”*

# Roadmap working groups – draft outcomes

## *Outcomes for the regulation of strategic planning and technical assessments and approvals*

Outcomes for strategic planning	Outcomes for technical assessments and approvals
1. Facilitates a balance of community, environmental and economic outcomes including timely, equitable and affordable access to safe and sustainable services.	1. Approvals of water treatment infrastructure or treatment of sewage under section 60 of the <i>Local Government Act 1993</i> facilitate overall system and community outcomes including safe, equitable and affordable access to services.
1. Transparent, evidence-based, outcomes-focused and solutions-driven.	2. Local water utilities and government agencies can collaboratively ensure that water treatment infrastructure and treatment of sewage under section 60 of the <i>Local Government Act 1993</i> meet community needs efficiently and effectively.
2. Facilitates and supports decision-making on strategic risks and challenges whenever and however they present themselves.	3. Engagement and collaboration begins early.
2. Local water utilities have clear and transparent guidelines and criteria, including how performance will be monitored.	3. Advice is provided in a timely manner.
2. Integrated with existing council processes such as enterprise risk management frameworks and the Integrated Planning & Reporting Framework.	3. Approvals are provided in a timely manner.
2. Integrated across the local, regional and state levels to drive efficiency, a broader understanding across the system and create 'one source of truth'.	6. Decision-making for approvals is outcomes-based, transparent, fair and reviewable.
2. Demonstrates that local and state government are capable of collaboratively delivering for the community.	6. Regulatory agencies work collaboratively to ensure they provide efficient and effective support to local water utilities.



# Roadmap working groups – regulatory principles

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To guide the development of specific regulatory requirements and processes, the working groups have workshopped high level principles for how regulation will be approached and experienced:

- **The department will adopt a risk-based, outcomes-focused approach, with balanced monitoring approaches.** This will be underpinned by early engagement to clearly ascertain local intent and circumstance to inform risk-assessment, and a clear focus on the requirements that set outcomes for regulated activities, rather than processes.
- **The department will work more flexibly as a regulator, offering better guidance and support.** Local water utilities, their staff and stakeholders will experience a more flexible and proportionate process. The department will work in a way that takes into account the challenges faced by the local water utility, the risk profile of its systems, and its organisation maturity. The department will provide ongoing and consistent support to ensure local water utilities understand their obligations and expectations of outcomes and balance a technical and a community focus.
- **The department will engage proactively to build relationships and collect insights.** Local water utilities will have a clear understanding of the purpose for which data is collected, in advance of its provision. There will be better alignment of data collection across all regulators and agencies. Efforts to collect insights will not be limited to data gathering. The department will also focus on more regular engagement and relationship building with local water utilities.
- **The department will balance regulatory oversight with proactive support.** The department will balance work as a regulator with its role as a partner to local water utilities. This balance will be struck based on the evolving needs of a local water utility, and the department's regulatory responsibilities. These dual functions will be balanced in line with accepted principles of risk-based regulation and be clearly separated.

# Roadmap working groups - update

- **We will meet December 2021 roadmap actions on regulatory frameworks by:**
  - Issuing a public communique providing an update on the working groups' collaboration on setting out the vision, outcomes and approach for regulation.
  - To be published on our website and shared with stakeholders via an email communication – planned for 21 December.
  - Working Groups' update is for stakeholder information, not formal consultation, although feedback is welcome.
- We are on track to deliver the draft regulatory framework package for public consultation at the end of March.

# Co-regulator commitment - Update



# Co-regulator forum



Planning,  
Industry &  
Environment



Health



Office of  
Local Government



Natural Resources  
Access Regulator



Dams Safety



# Co-regulator roadmap action 4.6

- Co-regulator Forum workshops progressed action 4.6 of the Roadmap:

## Action 4.6

We will collaborate with co-regulators to agree on our roles and responsibilities, communication, frequency of meetings, who takes the lead on issues, how to resolve any disagreements or disputes.

We will collaborate with co-regulators to make a clear commitment to the local water utility sector about what to expect from us as regulators, including roles and responsibilities, communication, participation in local water utility processes and projects, and the provision of information, support and advice.

We will commence regular meetings of co-regulators both centrally and in regions to discuss and address local water utility risks.

# Local water utilities co-regulator collaboration framework

In the Collaboration Framework co-regulators commit to the following collaborative behaviours and values for the way we work together and with local water utilities:

- Clear and coordinated
- Outcomes focused
- Timely and accessible
- Open and respectful
- Efficient and purposeful
- Culture of continuous improvement

# Co-regulator forum - members

- **DPIE Water** Mr Michael Blackmore, Director Water Utilities
- **NSW Health** Dr Katrina Wall, Acting Manager Water Unit
- **EPA** Mr Peter Marczan, Manager Technical Assessments & Advice
- **Office of Local Government** Ms Melissa Gibbs, Director Policy & Sector Development
- **Natural Resources Access Regulator** Mr Graeme White, Director Water Regulation West
- **Dams Safety NSW** Mr Chris Salkovic, CEO
- **Independent Pricing and Regulatory Tribunal of NSW** Ms Sheridan Rapmund, Director

# Secure Yield Analysis project - update





# Drivers for new guidance on water security analysis

- Water security analysis is a key component of IWCM strategic planning.
- Most utilities are using the 2013 draft secure yield guidelines.
- State Water Strategy 2021 has priority actions on improving water security for towns.
- Regional water strategies use data that improves understanding of past climate conditions and plausible climate futures.
- Department is working to use regional water strategy data and advances in climate understanding for town water security analysis.
- TWRRP Roadmap identifies improvements in secure yield guidance and access to data using the regional water strategy approach.

# Outline of new guidance for water security analysis

- Utilities access water from mainly regulated, unregulated and groundwater sources.
- **Regulated water sources**
  - Interim guidance has been developed and expected to be published Dec 2021.
  - This guidance will be used for piloting a small number of town water systems.
  - Guidance will be updated with lessons.
- **Unregulated water sources**
  - Consultant project is underway to develop interim guidance.
  - Will use case studies to evaluate the use of regional water strategy data for town water supply secure yield analysis.
  - To be available in 2022.
- **Groundwater sources**
  - Interim guidance has been developed for sustainable yield and drought resilience of bores and borefields.
  - Guidance supports process for developing a brief and engaging a consultant.
  - Guidance materials include sample scope of works detailing typical requirements.
  - To be published Dec 2021.

# New water security guidelines

- Will use lessons from pilot studies.
- Will incorporate regional water strategies data and advances in climate modelling.
- Draft guidelines expected to be released for consultation in 2023.
- Utilities interested can be involved in further piloting as necessary.

# Strategic planning pilots – update



# IWCM Strategic planning pilot projects - update

- The TWRRP team called for expressions of interest to co-design components of the new strategic planning framework.
- The intention of the pilot projects is to explore alternate approaches to regulating, facilitating and supporting LWU strategic planning for urban water services.
- Where relevant, learnings from the projects will be reported to the Strategic Planning working group who are designing an improved regulatory framework for LWU strategic planning.

**The pilot projects are varied. Some focus on components of their specific integrated water cycle management processes, often within the existing IWCM framework. Other pilots are exploring integration, collaboration and regional approaches to strategic planning.**

# Integrated Water Cycle Management Pilot Projects

Focus Area	Organisation	Explanation	Status
More focussed options analysis	Cowra Council	More focussed (reduced) scenario and options analysis	<ul style="list-style-type: none"> <li>IWCM Issues Paper workshop this month (PWA)</li> <li>Options, scenario - early 2022.</li> </ul>
Staged strategic planning	Griffith Council	Reduced scope focussing on high risk areas: medium term sewerage asset renewal, drinking water quality, and effluent reuse.	<ul style="list-style-type: none"> <li>Scope to be finalised by 17 Dec 2021.</li> <li>Project to commence early 2022</li> </ul>
Opportunities for regional collaboration	Central JO	Collaborative development of a potential regional approach to LWU strategic planning	<ul style="list-style-type: none"> <li>Two workshops completed (Nov/Dec 2021).</li> <li>Report due February 2022.</li> </ul>
Alternate approach to LWU strategic planning focussed on IP&R	Richmond Valley Council	LWU strategic planning-integration into IP&R (based on a staged approach focussing on local priorities)	<ul style="list-style-type: none"> <li>Scope received</li> <li>First iteration June 2022 – pathway</li> <li>Second iteration June 2025 – full integration</li> </ul>
IP&R regulatory requirements Pricing, assets, financial	DPIE & Shoalhaven Council	Review of regulatory requirements for LWU pricing, asset and financial management	<ul style="list-style-type: none"> <li>Joint workshop January 2022</li> </ul>

# Integrated Water Cycle Management - watch and learn projects

Focus Area/s		Organisation	Status
Regional Water Security Study	Water security analysis for regionally connected LWU systems and applying/testing new water security data/modelling outputs from RWS	Cabonne / Orange / CTW	<ul style="list-style-type: none"> <li>• Scope with DPIE Water</li> <li>• Discussions with RWS Team re data sharing very positive.</li> </ul>
Water Demand  Water Security	<p>Development of modified, more flexible and risk-based requirements for demand analysis</p> <p>Testing of updated secure yield analysis methodology for groundwater sources and regulated surface water sources, including applying/testing new water security data/modelling outputs from RWS</p>	Namoi JO	<ul style="list-style-type: none"> <li>• Modified demand analysis approach being finalised and tested</li> <li>• Secure yield analysis methods and interim modification being reviewed/tested</li> </ul>
Water Security Options Analysis	IWCM Water Security Options Analysis Water Security using approaches /requirements for secure yield analysis for groundwater sources	Narromine Council	<ul style="list-style-type: none"> <li>• IWCM underway, PWA completing Issues Paper</li> <li>• Water security options analysis RFQs recently advertised.</li> <li>• Commencement planned Feb 2022</li> </ul>

# WaterNSW pilots - update





# WaterNSW pilots - update

## *Dam Safety pilot (CONFIRMED)*

- Idea originally proposed by Clarence Valley Council in August 2021 consultation, following concerns about the resourcing impacts of recent Dams Safety NSW regulatory requirements/audit findings.
- WaterNSW has significant experience and expertise in dam safety management, and will work with a small number of pilot councils to:
  - undertake a maturity assessment to help the councils identify immediate and longer term issues,
  - develop an action plan to address these issues, and
  - provide an overview of indicative costs.
- The pilot will involve three councils that have recently gone through a Dams Safety NSW audit process (Clarence Valley, Orange City and Tamworth Regional).
- Scoping has commenced, with pilots to be undertaken from January to July 2022.



# WaterNSW pilots - update

## *River operations pilot (in discussion)*

- Identified opportunities to leverage WaterNSW river operations – including water quality and quantity monitoring, analysis of information, and decision-making support.
- Initial conversations with Hay and Murrumbidgee councils, with the potential to expand to other nearby councils within the Riverina and Murray Joint Organisation (RAMJO).
- WaterNSW has indicated that it has capacity to undertake a pilot focussed on these issues and would work with the councils to tailor the pilot to their specific needs.

# WaterNSW pilots - update

## *Catchment management water quality pilots (in discussion)*

- WaterNSW is proposing to work with a small number of geographically related local water utilities to assist them to develop a comprehensive approach to catchment based water quality management.
- WaterNSW would utilise its Greater Sydney catchment and water quality expertise to work with local water utilities to identify key risks and mitigations.
- NSW Health will be a partner due to its role in regulating water quality, as well as other groups such as county councils and Aboriginal land councils.
- The TWRRP team and WaterNSW have previously met with Kyogle, Richmond Valley and Tweed councils to discuss their potential involvement.
- Scoping discussions have continued between the TWRRP and WaterNSW, and WaterNSW will contact the councils soon to progress scoping.

# Implementation - update



# Water Efficiency Program

## Smart Approved Water Mark

- 10 new subscription agreements issued since the webinar

## Co-design workshops

- Leakage Reduction Program Co-design Workshop #1 held in late November
- Research and Innovation Workshops held #1 and #2

## Isle Utilities

- Leakage Reduction and Research and Innovation

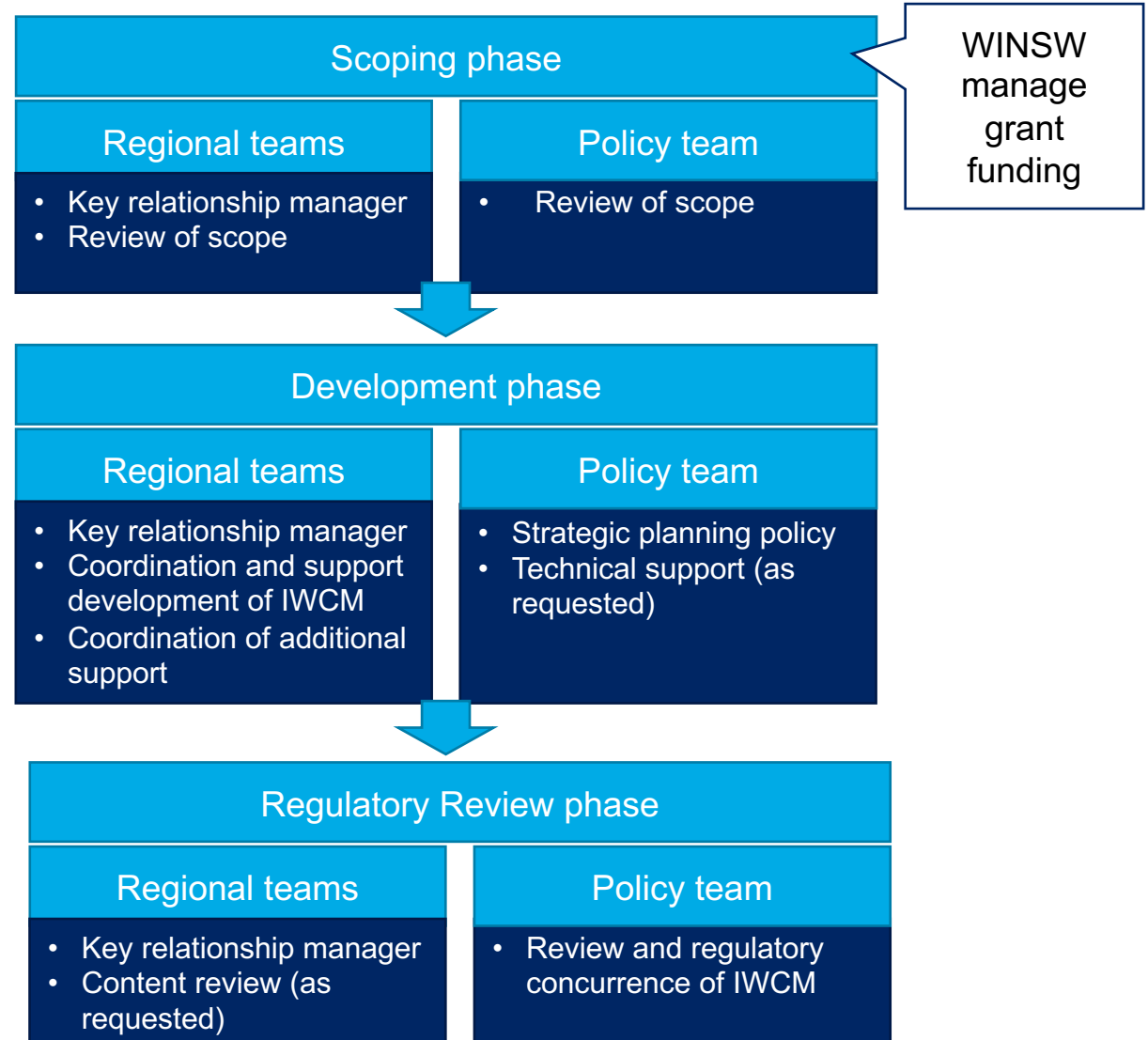
## Engagement with Sector

- AHO, JO, LWU, SOCs, WSAA, WD, NSW govt.



# IWCM scoping, development and review

- Recruitment (5 FTE) partially complete
- Implementation group established, with tasks:
  - Roll out of new model
  - Training for team
  - Refinement of documentation
  - Continuous improvement
- Public communications planned for early 2022



# Other actions

## **Town water security analysis** using Regional Water Strategy data

- Interim guidance for regulated rivers systems developed and in testing
- Interim guidance for unregulated river systems in development
- Interim guidance for groundwater systems developed
- Comprehensive and consolidated guidance to be developed, publicly consulted and released
- Updated web content pending approval, to be released next week

## **Technical assessment**

- Updated guidance on Options Assessment released on DPIE Water website



# Michael Blackmore

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Department of Planning, Industry and Environment



# Feedback from/issues raised by Panel members



# Next meeting and a look ahead



# Next meeting and a look ahead

- No meeting in January 2022.
- Breakfast get together at LGNSW Water Management Conference – **Thursday 10 February 2022** at 7.30am (venue tbc).
- Next meeting is scheduled for **Wednesday 22 February 2022** at 9.30am.

**Have more to say?** Email the team at [regional.town.water@dpie.nsw.gov.au](mailto:regional.town.water@dpie.nsw.gov.au)

# For noting – November 2021



# Items for noting

A. TWRRP Engagement Summary – November/December 2021

B. The Department's External Service-Related Complaints Policy

# A. TWRRP engagement summary – November/December 2021

Date	Who we met with	Issues covered
22/11/21	Dams Safety NSW	Potential WaterNSW dam safety pilots
23/11/21	Various councils, Central NSW JO and DPIE Water RWS team	Lachlan RWS workshop
25/11/21	National operator training resources group	National approach to development of training resources for the National Water Package
25/11/21	Vicwater	Regulatory forum
2/12/21	OLG, EPA, DPIE Water LWU team, and NSW Health	Co-regulators forum
7/12/21	WaterNSW	Scoping pilots
7/12/21	Hay and Murrumbidgee Councils	Discussion re potential pilots
8/12/21	Orana Water Utilities alliance	TWRRP update
8/12/21	Richmond Valley Council	IWCM pilot scoping
9/12/21	Orange, Clarence and Tamworth	Dam Safety pilots (also held preliminary meetings with Orange on 29/11 and Tamworth on 2/12)

# B. The department's External Service-Related Complaints Policy

We were recently asked about the department's Complaints Policy.

The department and its related agencies are committed to handling complaints fairly, efficiently, and effectively. We recognise that complaints and effective handling of complaints can improve the way we do business and build stronger relationships with our customers.

We know how important it is that complaints are treated seriously and have a timely resolution. When complaints are managed efficiently and effectively, this allows us to continually improve the quality of the service we provide and ensures we meet our regulatory obligations as a NSW Government Department.

The policy outlines the key principles that apply when a customer makes a complaint about the activities of the Department.

We capture complaints (and compliments and general feedback) in an online tracking system we call 'Your Feedback'. On our [website](#) there is a 'widget' to the right hand side it is a blue tab called 'Your Feedback' that you can use to make a complaint. The complaint can be anonymous if you prefer, or you can share your contact details so we can follow up and understand the detail of the complaint. You can also add attachments.

If you are unhappy with how the Department has handled a complaint, you can make a complaint to the [NSW Ombudsman](#).



# B. The department's External Service-Related Complaints Policy

Double click on the image to access the Policy



## External Service-Related Complaints Policy

October 2020



### 1. Why do we need this policy?

The Department of Planning, Industry and Environment (the Department) and its related agencies are committed to handling complaints fairly, efficiently, and effectively. We recognise that complaints and effective handling of complaints can improve the way we do business and build stronger relationships with our customers.

We know how important it is that complaints are treated seriously and have a timely resolution. When complaints are managed efficiently and effectively, this allows us to continually improve the quality of the service we provide and ensures we meet our regulatory obligations as a NSW Government Department.

This policy outlines the key principles that apply when a customer makes a complaint about the activities of the Department.

### 2. Who this policy applies to?

This policy applies to all departmental employees, consultants and contractors. It also applies to the employees, consultants and contractors of all related entities who have people employed in or through the Department.

### 3. Service-related complaint definition

An expression of dissatisfaction made to or about us, our services, our employees or the handling of a complaint where a response or resolution is explicitly or implicitly expected. Matters relating to a delay or failure in providing a service and the quality of an action taken fall under the definition of service-related complaints.

### 4. Policy

We are committed to providing high quality services to our customers and stakeholders who access or are impacted by our programs, systems and services. We are also committed to the [NSW Ombudsman's complaint-handling principles](#) of:

- Respectful treatment
- Information and accessibility
- Good communication
- Taking ownership
- Timeliness
- Transparency and Continuous Improvement

The Department's approach to service-related complaints management is to:

- receive and resolve complaints through frontline employees wherever possible
- acknowledge complaints within 3 working days where immediate resolution is not possible and aim to resolve within one month
- where unable to resolve within one month, keep customers informed on the progress of their complaint and likely date of completion.
- record, track and undertake analysis to identify opportunities to improve our programs and services.

UNCLASSIFIED