

Consultation report

NSW Healthy Floodplains project – Engagement, Workshop Series 1

Client: NSW Department of Industry

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Date 3 December 2018

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Workshop Series 1: Stakeholder Evaluation Summary, Dubbo, Sydney and Tamworth

Workshop Series 1: Agenda

1 Executive Summary

In 2013 the NSW Government introduced the Floodplain Harvesting Policy to stop unconstrained floodplain harvesting and bring it into a licensing framework. This policy is in the process of being implemented in the designated floodplains of the five northern NSW valleys, and will then be rolled out across the state.

Floodplain harvesting licenses and approvals are to be in place for the designated floodplains in the northern basin by 2019.

Changes were made to the policy in 2018, reflecting lessons learnt during its initial implementation. The changes incorporate feedback from stakeholders as part of a formal submission process conducted between March and April 2018. Floodplain Management Plans that cover all five valleys are scheduled to be in place by June 2019.

Elton Consulting was contracted by the Department of Industry ('the Department') to assist with the preparation and delivery of engagement workshop series 1 in accordance with the Floodplain Harvesting Stakeholder and Community Engagement Plan.

The objectives of workshop series 1 were to:

- » Communicate the process for finalising floodplain harvesting modelling
- » Provide an overview of the model refinement process, including data sources and verification processes
- » Test key floodplain harvesting modelling assumptions
- » Provide information about the independent review of NSW floodplain harvesting policy implementation, including the modelling peer review process
- » Test key monitoring and auditing requirements

The principles of the engagement methodology aligned with the Department's requirement to engage in a way that was:

- » Purposeful — undertaken with a clear understanding of what was to be achieved, and delivering on NSW Government priorities and the Department's corporate goals
- » Inclusive — identifying and enabling the participation of all relevant stakeholders
- » Timely — providing sufficient time for meaningful consultation, outlining timeframes up front and conducting engagement activities in an efficient manner
- » Transparent — explaining the engagement process, providing information to enable meaningful participation and setting clear expectations around how participants' input will inform outcomes
- » Respectful — acknowledging the needs, experience, perspective and expertise of participants.

Workshop series 1 involved three workshops in Dubbo, Sydney and Tamworth in October 2018 – various stakeholders, including users and groups representing indigenous people, local government, irrigators and the environmental community, were engaged during this process.

The feedback gathered at those workshops form the basis of this document.

Future structured stakeholder engagement includes:

- » The appointment of two independent peer reviewers (Tony Weber and Greg Claydon) to review all aspects of policy implementation, in direct consultation with stakeholders
- » A second series of workshops to present the peer review findings and revised valley scale results mid-2019

2 Engagement Methodology

Following the policy decision to implement licensing for floodplain harvesting (FPH), the Department recognised the importance of communicating the changes to the FPH modelling and licensing regimes.

Collateral was prepared ahead of a series of engagement workshops, including:

- » A summary page on the Department's website (<https://www.industry.nsw.gov.au/water/plans-programs/healthy-floodplains-project/harvesting>), explaining the process and outlining the location of additional information
- » A detailed web page outlining the policy framework and detailing the stakeholder engagement process and workshop materials (<https://www.industry.nsw.gov.au/water/plans-programs/healthy-floodplains-project/harvesting-stakeholder-engagement>)
- » Fact sheets detailing the FPH project's place within the overall water compliance regime (https://www.industry.nsw.gov.au/_data/assets/pdf_file/0011/162857/NSW-Healthy-Floodplains-project-fact-sheet.pdf)

Ahead of the workshops, contact was made with stakeholder groups deemed to be most affected by the policy change, to encourage engagement and begin the feedback process. (See '*4 Stakeholders Engaged*' for detail).

Three workshops were held in three different locations in October 2018. These events were well attended:

- Dubbo: Monday, 8 October, 2018
- Sydney: Wednesday, 10 October, 2018
- Tamworth: Friday, 12 October, 2018

Attendance at these events was driven by direct invitations and also direct contact through the Department's contact database. (For detail on the content delivered at the workshops, see '*3 Workshop Series 1 Overview*').

With the workshops now complete, engagement with stakeholder groups and individuals is now being driven by the peer reviewers, who were introduced to the stakeholder groups in the meetings in Dubbo, Sydney and Tamworth (see '*6 Further Actions*' for more detail).

The Department's FPH team remains committed to ongoing consultation, which are explained in the sections that follow.

3 Workshop Series 1 Overview

At each of the three stakeholder workshops held, a detailed presentation was delivered by the Department's Floodplains leadership and technical experts, and representatives from the Murray Darling Basin Authority (MDBA).

The format of the presentation intermittently allowed participants to ask questions of the presenters and subject matter leads from the Department.

Content covered by the presentation covered:

- » An introduction to the Department's Floodplains team, the peer reviewers and the MDBA representatives present
- » A brief overview of the NSW Government's Floodplain Harvesting policy:
 - > Descriptions of the Water Reform Action Plan (WRAP), Water Resource Plan (WRP), Floodplain Harvesting Policy and the Sustainable Diversion Limit Adjustment Mechanism (SDLAM)
 - > Responsibilities for water enforcement in NSW and at a federal level
- » How NSW floodplain harvesting mechanisms interact with the Murray Darling Basin Plan (delivered by the MDBA):
 - > An overview of MDBP implementation
 - > An explanation of sustainable diversion limits (SDLs)
 - > Benefits of changes to floodplain harvesting compliance methodology and improved measurement and compliance
 - > How floodplain harvesting licensing is to be incorporated into the Murray Darling Basin Plan (MDBP)
- » A description of the engagement undertaken to date regarding the floodplain harvesting (FPH) modelling, including:
 - > The establishment of an FPH Modelling Consultative Committee and the implementation of an Irrigator Behaviour Questionnaire (IBQ)
 - > Pilot engagement with the Gwydir Valley Irrigators Association to incorporate farm scale data, discuss initial results and individual impacts
 - > Liaison with other NSW Government agencies and the MDBA
- » The mechanisms available for stakeholders to give their feedback on the methodology, including:
 - > Directly via the Series 1 workshops
 - > Through contact with the independent peer reviewers
 - > At the Series 2 workshops
- » How FPH volume will be defined (i.e. based on water entering permanent storages)
- » An overview of the model refinement processes, including data sources and verification processes, including:
 - > Overcoming challenges presented by the limitations and complexities of existing models
 - > Accounting for climate variability
 - > Enhancements to the methodology resulting in continuous improvement of the FPH model
 - > An overview of the major water balance methodology change and its impacts on the Plan Limit
 - > Descriptions of the data sources used to populate the model
 - > An outline of the base formulae used to calculate on-farm water balance
 - > Methods used to calculate the quantum of permanent, on-farm storages

- > Assumptions used to calculate storage volumes and evaporation
- > Techniques used to calculate water application, runoff harvesting and overbank flow harvesting rates, plus the underlying data sources
- > The definition of a 'temporary storage'
- > The methodology by which the Department would test key modelling assumptions
- » A description of how entitlements were to be calculated, including examples and scenario modelling
- » An overview of the approach to FPH monitoring and auditing, including:
 - > The proposal for users to self-report into the existing system (i.e. iWAS)
 - > Infrastructure requirements to be implemented on-farm
 - > The role of the Natural Resources Access Regulator (NRAR) in verification and compliance
 - > An explanation of the risk-based approach to monitoring and compliance
 - > How the monitoring approach would be evaluated and adjusted over three years
 - > How aerial photography, LiDAR (Light Detection and Ranging) and other techniques would be used to detect changes to floodplain structures
- » Next steps in the engagement process

The key themes in the presentation were:

- » The focus of the presentation was on the implementation, modelling, auditing and monitoring of the FPH regime, not on the policy decision
- » The methodology and formulae used in the model sourced the best available data
- » A significant amount of quality assurance was undertaken in the enhancement of the FPH model
- » The resulting model is comprehensive and robust and accounts for varied inputs at a farm scale and within a well-tested river system model framework
- » The Department stressed the importance of reliable data and remains committed to continuous improvement of the FPH model
- » Stakeholders were encouraged to give their feedback about FPH modelling through one of the mechanisms identified

The format of the presentation allowed participants to ask questions of the subject matter experts and the Department's Floodplains team leadership. At the conclusion of the presentation, workshop participants had the opportunity to speak directly with representatives of the Department and the MDBA.

Participants gave positive feedback about their experiences in attending the workshops (refer *Appendix*).

4 Stakeholders Engaged

To ensure broad and equitable engagement, invitations to the workshops were extended to:

- » Representative groups for:
 - > Irrigators and other peak water users
 - > Indigenous nations
 - > Environmental interests
 - > Business interests
- » NSW Government, Australian Government and other state government agencies
- » Individuals who had made submissions early in the engagement process
- » Regional councils
- » Local, state and federal politicians

5 Key Feedback Themes and Responses

5.1 General feedback themes

Feedback given at workshops came via two methods:

- » Verbal feedback given during designated question periods
- » Written feedback via forms filled out by participants

On balance, participants in the workshops indicated they felt positively towards their experience, indicating they appreciated the depth of efforts the Department had undertaken in order to communicate the thought and planning behind the modelling and licensing process.

As intended, much of the discussion at the sessions was focused on developing an understanding of how the model was developed, the assumptions and data sets it was based upon, and how it would be used in practice to determine individual entitlements. The most common themes to emerge across the three workshops included:

- » Acknowledgment of the amount of detail within the modelling and a view that the revised model presents a more accurate and robust assessment of the extent of floodplain activity and water capture
- » Support for the interactive peer review process with opportunities for stakeholders to directly engage with the review team
- » Eagerness to see more detail on the process for determining and negotiating individual floodplain harvesting entitlements
- » Most workshop participants accepted the rationale behind the policy settings for floodplain harvesting, although there were varying views about the Government's decision:
 - > Some irrigators noted concerns about increased regulation and restrictions
 - > Other producers thought that some form of regulation was important for the industry and that a social licence and accounting for this form of water take was critical for the community confidence in the management of the overall system
 - > Graziers and dryland croppers noted issues about interception of water for storage that may otherwise flow through and replenish grazing and cropping land
 - > Some environmental and community groups expressed concerns that while floodplain harvesting is an existing practice, it should not be supported as it resulted in less flows available for the environment and downstream towns
 - > Many irrigators questioned the way the model accounts for temporary storages and the impracticalities of metering of water capture
 - > The cross agency focus was recognised and participants were keen to understand how the new regulations would fit into the historical context of the Murray Darling Basin Plan and regulation/enforcement by state authorities

The Department provided a response to this feedback during the workshops (*see table following*).

Table 1 Workshops: Common themes and responses, in detail

Common verbal feedback themes	The Department's response
<p>Most workshop participants accepted the rationale behind the policy settings for floodplain harvesting, although some sought to debate their validity on a number of occasions.</p>	<p>The Department acknowledged the concerns, but explained clearly the policy settings and their basis, noting that changes to the settings were not up for debate in these forums.</p> <p>Meeting facilitators and Departmental staff ensured discussions remained focused on the established agenda.</p>
<p>Participants were keen to understand the interaction between floodplain harvesting and the Murray Darling Basin Plan, including roles and responsibilities.</p>	<p>The Department arranged for Murray Darling Basin Authority staff to be available in the meetings. These subject matter experts explained how state and federal jurisdictions and agency staff interacted.</p>
<p>Participants queried whether there would be more, less, or the same allowable take of water from the system as a result of implementing the policy.</p>	<p>Departmental staff explained that limits for floodplain harvesting are set in law through existing Water Sharing Plans and the Basin Plan. The Department also demonstrated how the new policy would help the Government monitor, and account for, water take more effectively, ensuring that floodplain harvesting does not increase above the legal limits.</p>
<p>Participants were keen to understand the data sources utilised in the revised modelling and how they were applied.</p>	<p>Departmental staff detailed the sources of data when presenting. In addition, presenters were transparent when answering queries about data sources and their application. The Department actively encouraged participants to engage with the peer review process if they had concerns about the data sources or how they were used.</p>
<p>Participants were keen to understand how the revised modelling represented temporary storages and the implications of this.</p>	<p>During presentations, Departmental staff went into great detail explaining how the model approached, and defined, temporary storages. The Department actively encouraged participants to engage with the peer review process if they had concerns about the data sources or how they were used.</p>
<p>Some participants highlighted a lack of trust in the Department's implementation of the Policy.</p>	<p>The Department highlighted that the independent peer review, following this workshop series, was designed to build stakeholder confidence in how the policy is being implemented and actively encouraged participants to engage in this process.</p>

5.2 Feedback by workshop

Specific feedback was also obtained at each of the stakeholder workshops held in Dubbo, Sydney and Tamworth:

Table 2 Dubbo workshop feedback and recommendations

Written feedback indicated participants felt positively about their workshop experience. Participants indicated the most useful aspects to the workshop were:

- » Explanation of the peer review and consultation processes
- » The comparison between NSW water management policies and those in Queensland
- » Explanation of the timeliness and processes for FPH licensing implementation, and connection with key stakeholders
- » The ability to ask questions and receive answers within the forum
- » Having state and federal agency representatives in the same room
- » The attendance of a peer reviewer

Verbal Feedback	The Department’s response
Some participants expressed that they were finding it difficult to provide feedback into all the various water reform activities that are currently underway.	The Department acknowledged this feedback, noting it was actively considering ways to coordinate and - if possible - stagger consultation activities to avoid stakeholder fatigue.
Some stakeholders queried whether changes to the Basin Plan’s Baseline Diversion Limit (BDL) would affect the volume of water recovery required to achieve the Sustainable Diversion Limit (SDL).	The Department and MDBA confirmed that the Basin Plan describes a fixed relationship between the BDL and the SDL i.e. if the estimate of the BDL increases or decreases then the SDL increases or decreases by the same amount. The Department reiterated that the revised modelling improves the representation of floodplain processes that were previously poorly represented in the models, and that this does not change the flow in rivers, hence it does not affect the outcomes that the Basin Plan was intended to deliver.
One participant questioned the proposed geographical boundaries of the Macquarie floodplain.	The Department referred to the background document for the draft Macquarie Floodplain Management Plan which has a section that explains the basis for the proposed boundary. It was noted that this document is publically available on the website.
One participant suggested that the Department publish water balance changes resulting from the modelling updates in order to provide full transparency to stakeholders.	Departmental staff indicated they would consider this suggestion as part of the workshop #2 materials.
Some participants felt that the whole of the state should be informed and given opportunities to provide input, as decisions will impact the broader community.	The Department communicates widely and transparently about changes to its policies and processes.

Table 3 Sydney workshop feedback and recommendations

Written feedback from the Sydney workshop indicated the majority of participants felt positively towards their experience in the workshop. Participants indicated the most useful aspects to the workshop were:

- » Improvement to the generally low understanding of the subject
- » It provided a good overview of the policy and modelling, and was an opportunity to understand changes in the context of other water reforms in NSW
- » The monitoring and compliance section of the presentation was appreciated

Verbal Feedback	The Department's response
Some participants highlighted that, to date, the Department has not alleviated fears that licensing floodplain harvesting will not further reduce flows for downstream systems. Demonstrating that communities downstream of the Northern Basin will not be worse off as a result of implementing the policy is of paramount importance.	The Department acknowledged this feedback and highlighted that the independent peer review process has been designed to build stakeholder confidence in how the policy is being implemented and its outcomes and actively encouraged participants to engage in this process.

(Note: it is the advice of Elton Consulting that the low quantum of feedback delivered at the Sydney meeting was due to the high proportion of industry group representation, with these groups typically attending such forums with a high degree of prior engagement and knowledge of the policy).

Table 4 Tamworth workshop feedback and recommendations

Written feedback from the workshop indicated the majority of participants felt positively towards their experience. Participants indicated the most useful aspects to the workshop were:

- » The Q&A sessions and the opportunity to provide feedback
- » Information on monitoring and auditing, and how it relates to on-farm implementation
- » Demonstration that thought and planning had gone into the modelling and licensing process, including taking the practicalities of farm management into account
- » Language and terminology in the presentation was easily understood

Verbal Feedback	The Department's response
One participant felt that there needed to be flexibility in the monitoring and auditing strategy that allowed water to be used directly from temporary storages as it is costly and inefficient to pump all floodplain water through a permanent storage.	The Department acknowledged this feedback, noting that the draft floodplain harvesting monitoring and auditing strategy will be released for public comment during December and formal submissions will be invited.
One participant felt that the iWAS system was inflexible and it was very difficult and time consuming to get errors corrected.	Departmental staff indicated that the iWAS system is managed by WaterNSW and encouraged them to notify WaterNSW about the difficulties they were experiencing.
Several participants commented that the Department had done an amazing job of explaining a very complicated project.	Departmental staff acknowledged this feedback.

6 Further actions

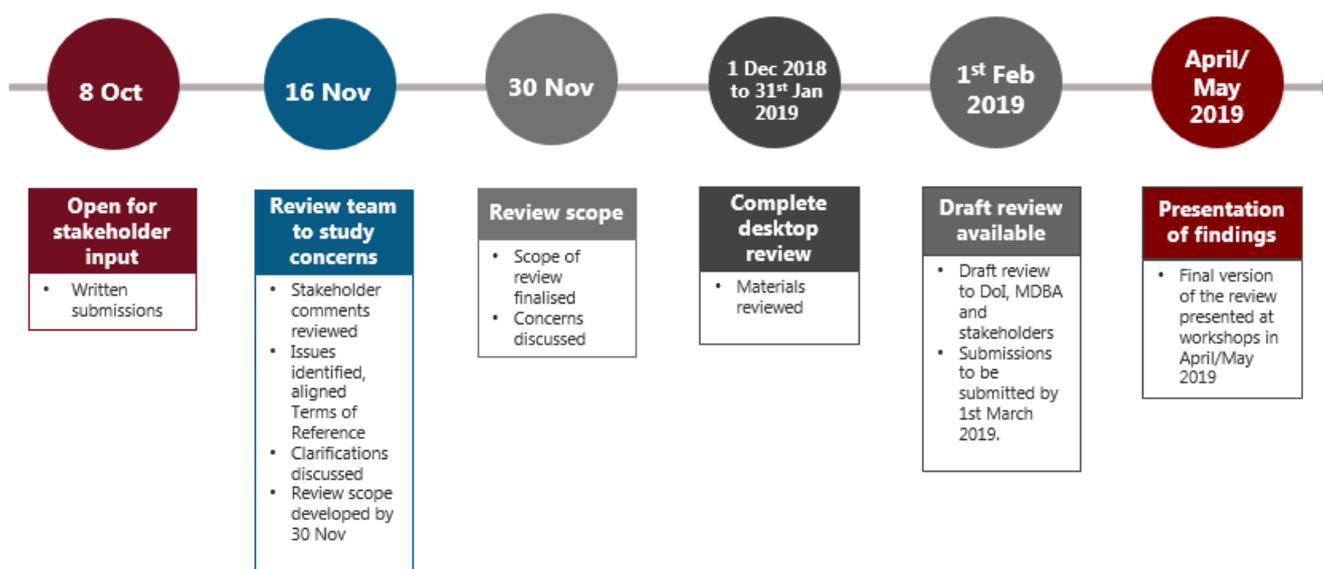
A significant program of future engagement is planned for this project:

1. Independent Peer Review

During the workshop series #1, stakeholders were encouraged to engage with the peer reviewers (Greg Claydon and Tony Weber) through one of two methods:

- » By email: FPHreview@alluvium.com.au, or
- » By post: FPH Review, c/- PO Box 423, Fortitude Valley, Qld, 4006

(Timeline of stakeholder consultation framework):



2. Workshop series #2

The Department will conduct a second series of workshops in April/May 2019 to engage with water users and other stakeholders. The following will be presented at these workshops:

- » The outcomes of the independent peer review process
- » The valley-by-valley results of the model calibration exercise
- » Revised, valley-scale floodplain harvesting results

3. Release of draft floodplain harvesting entitlements

Following workshop series #2 the Department will release draft floodplain harvesting entitlements to individuals with a 28-day submission period for comments. Modelling results of property scale floodplain harvesting with eligible works will be supplied with the draft entitlements.

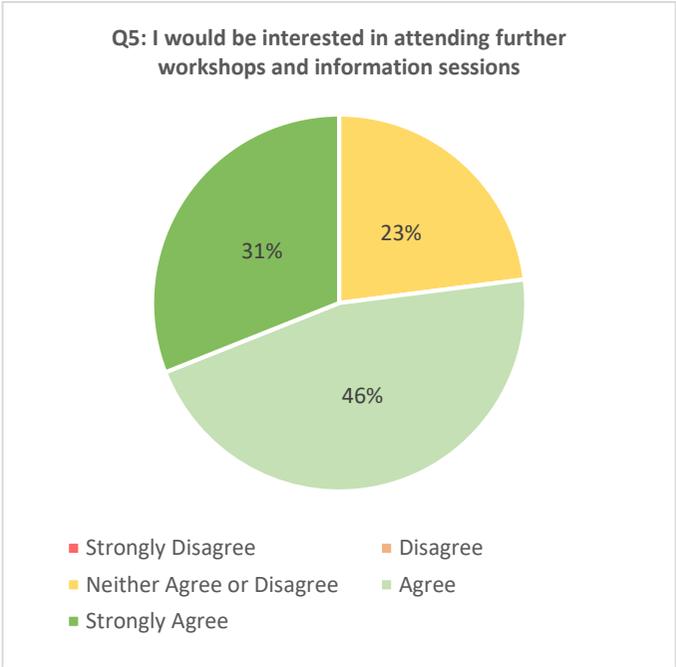
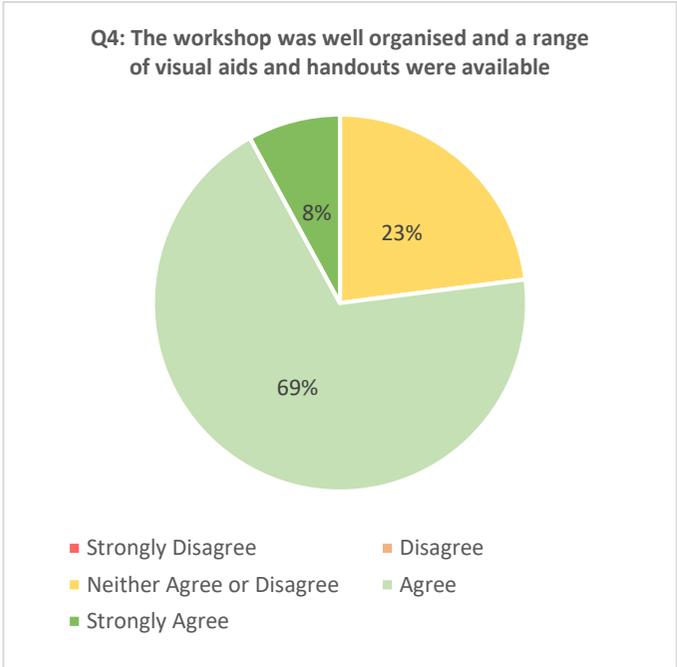
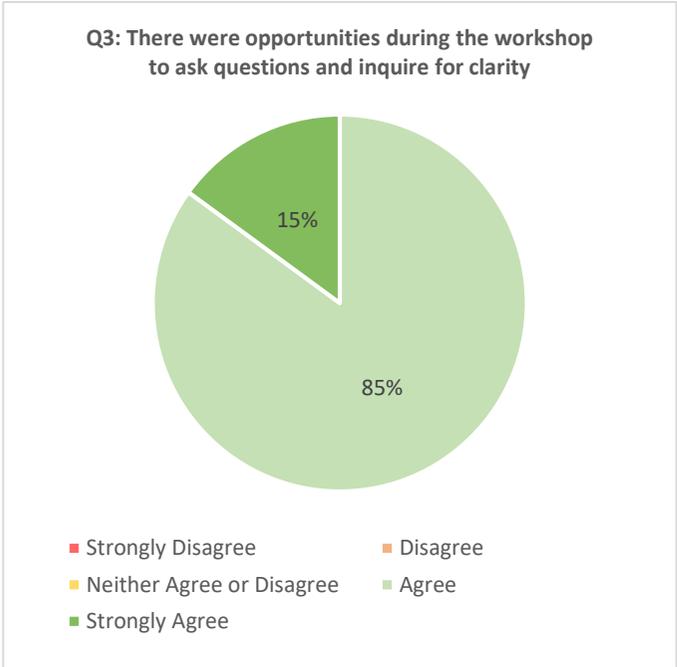
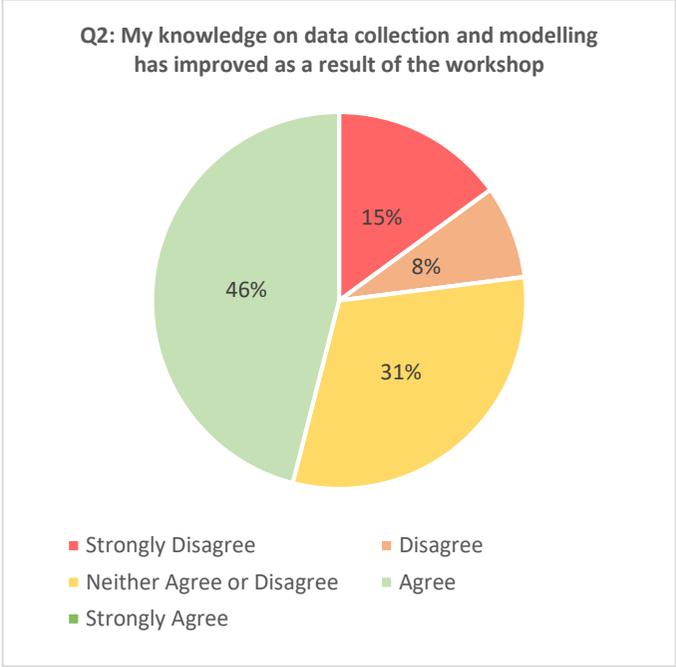
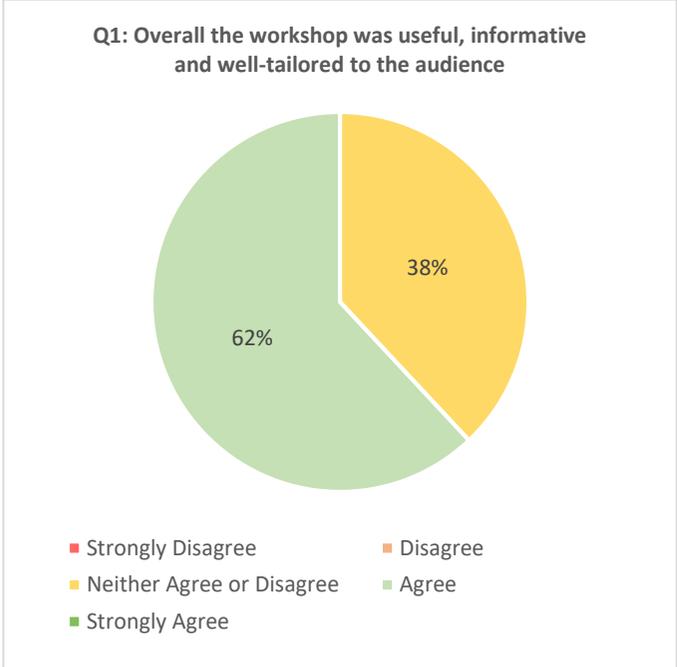
4. Independent review committee

Following the close of the submission process, the Department will seek advice on individual submissions from the independent Floodplain Harvesting Review Committee before making its final determination on entitlements. This Committee has the following membership:

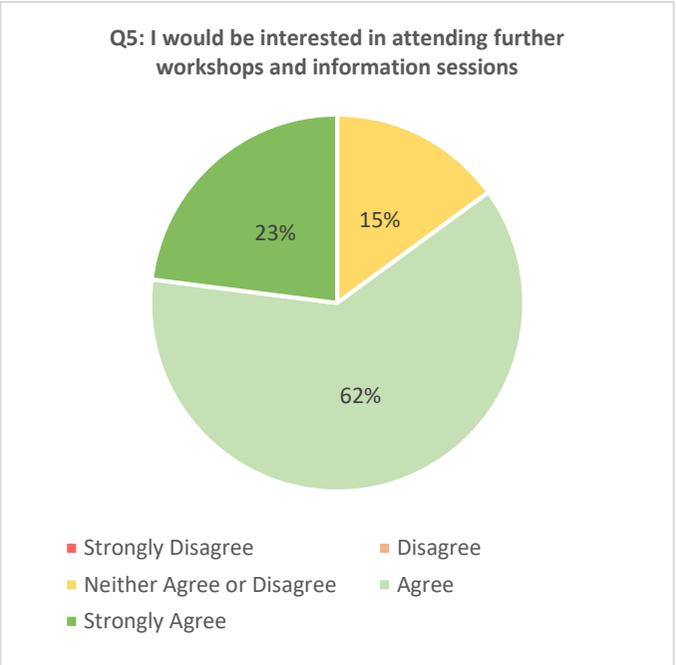
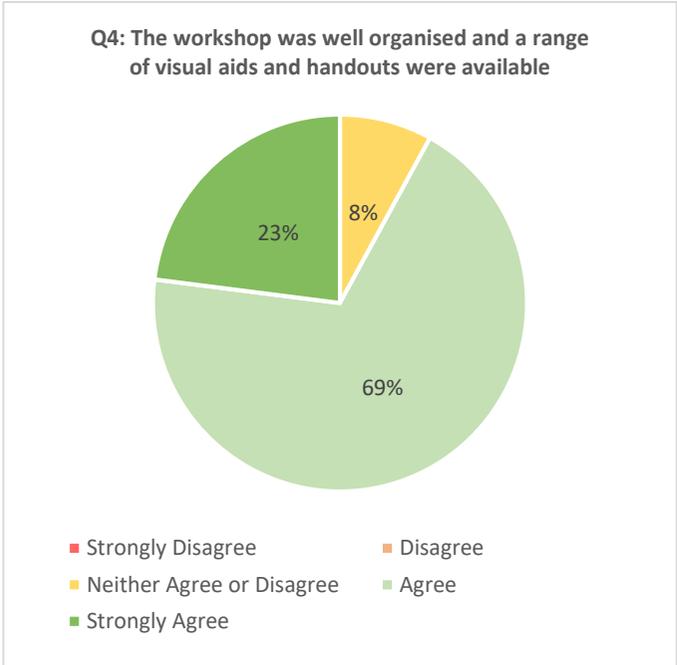
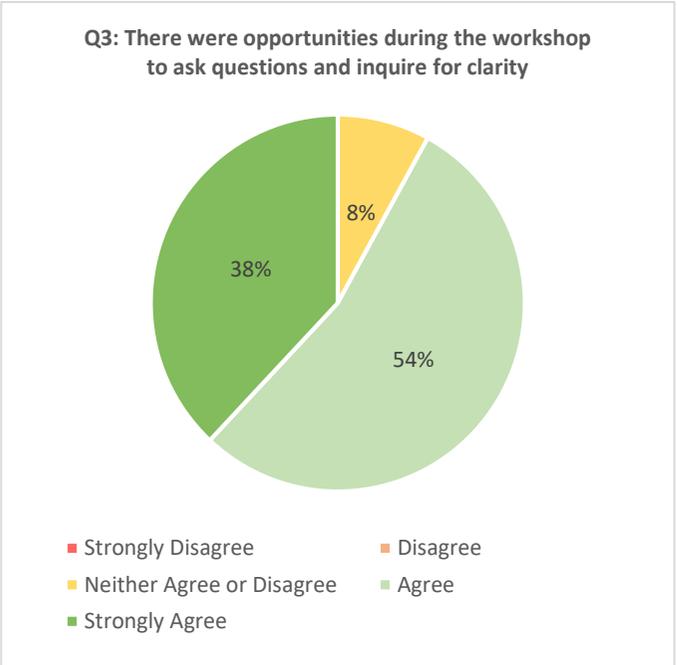
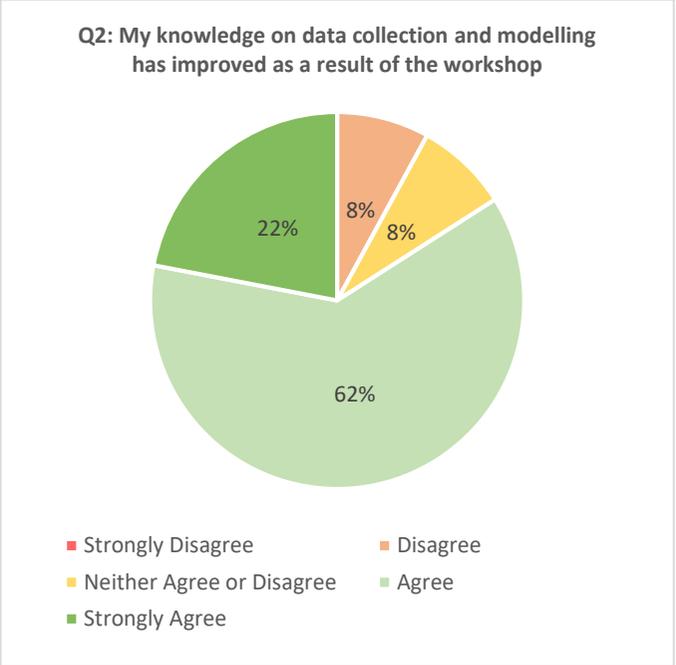
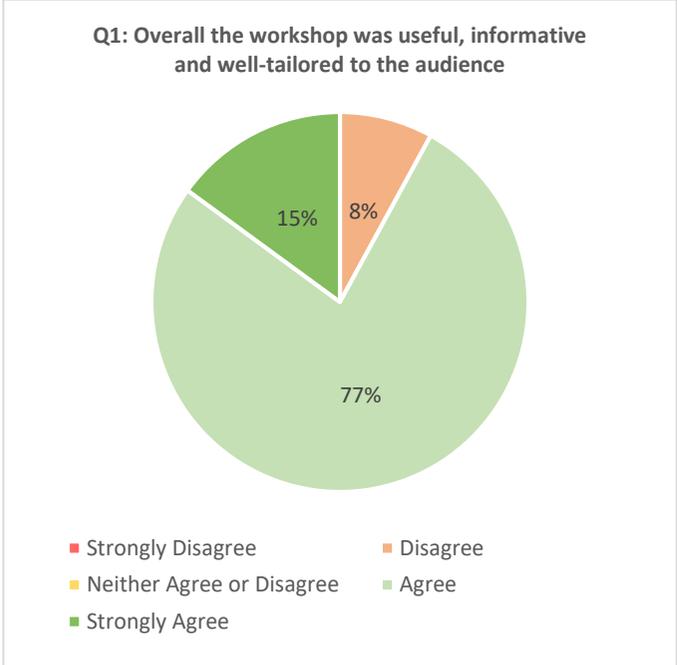
- » Conrad Bolton - North West Local Lands Services (committee chair)
- » Tim Duddy - NSW Farmers Association
- » Bernie George - NSW Irrigators Council
- » Bev Smiles – NSW Nature Conservation Council

Appendices

Workshop Series 1
Stakeholder Evaluation Summary
Dubbo
 (Monday 8 October 2018)
 27 Attendees



Workshop Series 1
Stakeholder Evaluation Summary
Sydney
(Wednesday 10 October 2018)
20 Attendees



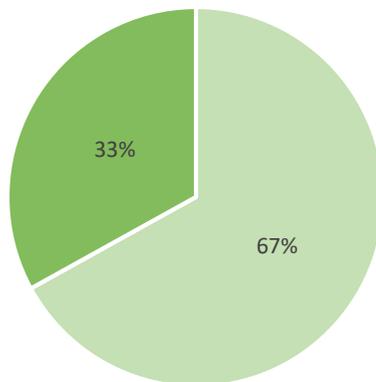
Workshop Series 1
Stakeholder Evaluation Summary

Tamworth

(Friday 12 October 2018)

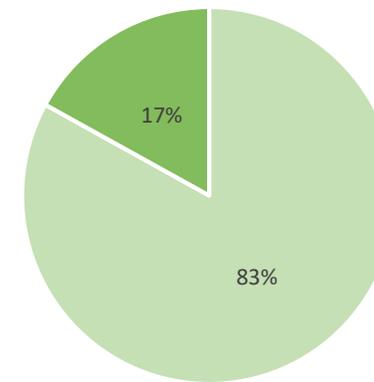
13 Attendees

Q1: Overall the workshop was useful, informative and well-tailored to the audience



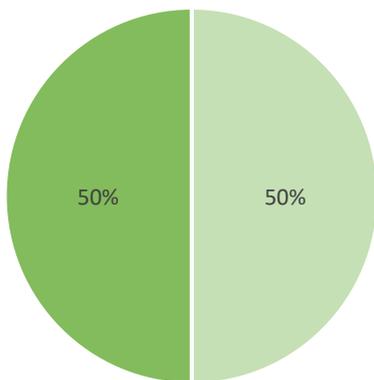
Strongly Disagree Disagree
Neither Agree or Disagree Agree
Strongly Agree

Q2: My knowledge on data collection and modelling has improved as a result of the workshop



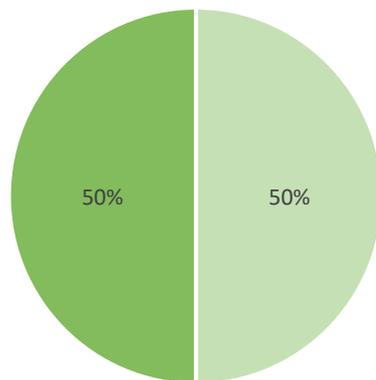
Strongly Disagree Disagree
Neither Agree or Disagree Agree
Strongly Agree

Q3: There were opportunities during the workshop to ask questions and inquire for clarity



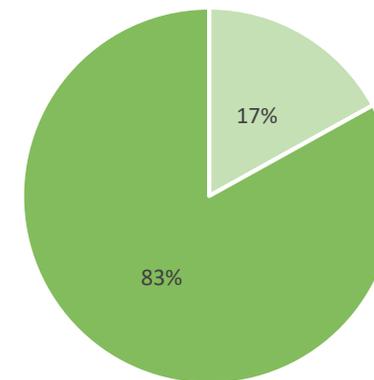
Strongly Disagree Disagree
Neither Agree or Disagree Agree
Strongly Agree

Q4: The workshop was well organised and a range of visual aids and handouts were available



Strongly Disagree Disagree
Neither Agree or Disagree Agree
Strongly Agree

Q5: I would be interested in attending further workshops and information sessions



Strongly Disagree Disagree
Neither Agree or Disagree Agree
Strongly Agree



AGENDA

MEETING	Floodplain Harvesting Stakeholder Engagement		
MEETING NO.	Workshop # 1	DATE	Friday 12 October 2018
LOCATION	Tamworth Tamworth Agricultural Institute 4 Marsden Park Rd, Calala Conference & Training Room	TIME	10.00am - 2.00pm (meeting) (9.30am – 2.30pm)
DOI ATTENDEES			
INVITEES			
APOLOGIES			
PREPARED BY			

Time	#	Agenda Item
10.00	1	Welcome and session overview <ul style="list-style-type: none"> • Acknowledgment of country • Purpose of session: <ul style="list-style-type: none"> – Background: NSW Government's decision to regulate Floodplain Harvesting. – Today's focus: Floodplain Harvesting modelling and implementation. – Outline of the day's activities: <ul style="list-style-type: none"> ○ Orientation to work to date on the draft model ○ Testing aspects of an emerging model ○ Outlining the peer review process ○ Introduction to the team
10.05	2	Presentation Session 1
10.15		Context: <ul style="list-style-type: none"> • What is going on in MDB water at the moment? • Who is responsible for what? • How does Floodplain Harvesting fit in with other water plans and initiatives?
10.25		Introducing the Floodplains Harvesting Project: <ul style="list-style-type: none"> • Objectives of the policy: securing water for agriculture, communities & the environment • Steps in the modelling process • Engagement to date: <ul style="list-style-type: none"> – Project timeline – Feedback already gathered – The Government's policy direction – FPH concept and framework – Objectives of today's workshop – Timeline for refining model and ongoing consultation
10.35		<i>Short Facilitated Q&A</i>
	3.	Technical Presentations: Session 2
10.45		a. What is modelling and why are we doing it?

10.55		<i>Short facilitated interactive session</i>
11.05		b. The conceptual model
11.35		<i>Short facilitated interactive session</i>
11.55		c. Data sources and checks
12.05		<i>Short facilitated interactive session</i>
12.20		LUNCH BREAK
	4.	Technical Presentations: Session 3
12.50		d. The peer review process
1.00		<i>Short facilitated interactive session</i>
1.15		e. Monitoring & Auditing- initial ideas
1.30		<i>Short facilitated interactive session</i>
1.45	5.	General Q&A
1.55	6.	Next steps <ul style="list-style-type: none"> • Providing your feedback • Information from you that will help us improve the quality of our modelling • Staying in touch • Opportunity for one on one discussions re entitlements, compliance & enforcement strategy end of Q1 2019.
2.00	7.	Thank you and close

