Safe and Secure Water Program

Version 2 – Roadshow introduction for Local Water Utilities
Safe and Secure Water Program

Version 2 commenced 1 April 2019

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Regional teams  Project specific issues
Technical team  Section 60 approvals
Policy team  IWCM
PMO team  Funding and SSWP process issues
Safe and Secure Water Program

Program launched in June 2017

$1 billion regional infrastructure co-funding program under the NSW Government's Restart NSW Fund

Designed to provide safe, secure and sustainable water and wastewater services to regional NSW towns

Timeframe is 5-7 years or until funds are expended
## Safe and Secure Water Program

### Current status of program

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>NSW Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOI received</td>
<td>200</td>
<td>$500 million</td>
</tr>
<tr>
<td>Projects approved</td>
<td>79</td>
<td>$177 million</td>
</tr>
<tr>
<td>Active projects</td>
<td>40</td>
<td>$97 million</td>
</tr>
</tbody>
</table>

[Map of NSW showing water infrastructure projects.]
Safe and Secure Water Program

Current status of program

- Available SSWP, $416,000,000
- 80 Approved Projects, $584,000,000
Safe and Secure Water Program

Support safe, secure and sustainable water and wastewater services to regional NSW towns

Revised program criteria designed to:

• Prioritise highest risks
• Provide appropriate level of service in smaller towns where infrastructure costs can outweigh the economic benefits
• Be flexible and include non-infrastructure options, where this is cost-effective
• Co-fund and work with local water utilities to resolve a risk that has been prioritised
Safe and Secure Water Program

Key changes to the program

- Funding shifted to consolidated revenue
- Benefit-cost ratio no longer a mandatory criteria
- Funding allocated according to a risk-based priority framework
- Priority risks will be funded until the risk is resolved or no longer considered a priority
- Funding provided for the most appropriate mechanism (i.e. not solely for new infrastructure)
Safe and Secure Water Program

Eligible applicants

Funding is available for:

- Local councils – local water utilities and county councils
- Water supply authorities
- Joint organisations
Risk prioritisation framework

A key aspect of the revised Safe and Secure Water Program design is the prioritisation framework.

The prioritisation framework will use metrics for the factors below and a balanced score card approach.

Risk Factors

- Water quality
- Water security
- Environment

Other Factors

- Community socio-economic factors
- Population impacted
Program review panels

Prioritisation Review Panel

The Prioritisation Review Panel’s role is to:

• consider any necessary changes to the prioritisation framework
• approve new risks that are prioritised under the framework

Prioritisation Review Panel:

• meets quarterly
• has members from a number of agencies - NSW Health, Department of Premier and Cabinet, Office of Local Government, EPA, Treasury and the Water branch of Department of Industry
## Co-funding changes

### Co-funding based on annual water and sewerage revenue

<table>
<thead>
<tr>
<th>Annual revenue of proponent</th>
<th>Co-funding band</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; $20m</td>
<td>Up to 25% *</td>
</tr>
<tr>
<td>$10m to $20m</td>
<td>Up to 50% *</td>
</tr>
<tr>
<td>$5m to $10m</td>
<td>Up to 60% *</td>
</tr>
<tr>
<td>$2.5m to $5m</td>
<td>Up to 75% *</td>
</tr>
<tr>
<td>&lt; $2.5m</td>
<td>Up to 90% *</td>
</tr>
</tbody>
</table>

Revenue defined in the latest NSW Water Supply And Sewerage Performance Monitoring Report

Published on the department’s website

*Percentage of the estimated total cost of funding required to resolve the risk
Funding streams

Stream 1
Development and delivery of priority solutions

Stream 2
Integrated water cycle management planning

Stream 3
Dam safety projects
Program phases

Stream 2 – Integrated water cycle management
- Strategic planning to identify all major risks and explore options for risk resolution

Stream 1 – Development and delivery
- Scoping studies/option analysis
- Detailed planning – concept design and business case
- Construction of infrastructure or non-infrastructure solution
STREAM 2 – Integrated water cycle management

Funding is available under Stream 2 of the Safe and Secure Water Program to help local water utilities develop their IWCM and supporting documents.

An IWCM is the best way for local water utilities to identify strategic risks and build a case for an infrastructure or non-infrastructure solution to mitigate an identified risk.

Department’s checklist currently being updated
## STREAM 1 – Development and delivery

### Priority risks under three categories

<table>
<thead>
<tr>
<th>Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water security</strong></td>
<td>Risks to current or future town water security, such as water availability and continuity of town water supply</td>
</tr>
<tr>
<td><strong>Water quality</strong></td>
<td>Risks to human health such as the absence of filtration on surface water supplies</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>Risks to human health or the environment from sewage management that does not satisfy community expectations or regulatory requirements.</td>
</tr>
</tbody>
</table>
Program review panels

Gateway Review Panel

The Gateway Review Panel role is to:

• assess projects at critical gateways to confirm if they have sufficient evidence to progress to the next phase

Gateway Review Panel:

• meets monthly

• has members from a number of agencies - NSW Health, Department of Premier and Cabinet, Office of Local Government, EPA, Treasury and the Water branch of Department of Industry
How does an LWU progress a prioritised project?

As each risk is prioritised, the regional teams will contact LWUs to discuss how to progress a project to address that risk.

Once an LWU commits to progress a project through to the next stage, the PMO will be in touch to finalise a funding deed.

Funding is not confirmed until both parties have executed the funding deed.

Funding deeds cover only the current phase of a project’s lifecycle. Program assurance gateways before a project can progress through to subsequent phases and further funding agreements.
What if an LWU identifies a high risk that isn’t prioritised under the framework?

The LWU needs to demonstrate that it has done the necessary strategic planning across its business to identify the major risks to the sustainable, ongoing delivery of water and sewerage.

If a new risk arises, but is not identified in an LWU’s IWCM, the LWU would need to demonstrate how the issue fits in with its long term strategy with an equivalent strategic planning report.
Safety in construction

“Every person home safe every day”

Between 2003–13, 401 workers died on construction sites in Australia.

40 people a year never went home

Falls from a height: (28% or 112 workers)