



Planning,
Industry &
Environment

Town Water Risk Reduction Program

Panel – Meeting #5

Meeting | 26 May 2021



What we will cover today

Preliminaries

- Acknowledgement of country
- Welcome
- Outcomes and actions arising

Updates

- Regulatory workshops series
- Understanding IWCM strategies and the IP&R framework
- Potential pilots – regulatory re-design
- Skills and training
- State Government support in emergencies

Discussion

- TWRRP engagement summary
- Specific issues raised by Panel members

Other matters

- Next meeting

Outcomes and actions arising

- All actions completed on time.
- Incorporated feedback from Panel members about the regulatory workshop interviewees.
- Continue to incorporate Panel feedback into focus area work plans.
- Sharing our work on mapping inter-relationships between different workstreams.
- Stakeholder meeting summary included as a standing item to the Panel meeting today.



Update

- Regulatory workshops series: registrations opened last week
- Understanding IWCM strategies and the IP&R framework
- Potential pilots – regulatory re-design
- Skills and training
- State Government support in emergencies

Date & Time	Tickets Sold
Wednesday, 2 June 2021 12:30 pm	 19/30
Wednesday, 2 June 2021 2:30 pm	 15/30
Tuesday, 15 June 2021 12:30 pm	 16/30
Tuesday, 15 June 2021 2:30 pm	 15/30

Update
Regulatory Framework workshop series

Regulatory framework workshop series purpose

Workshop series to **co-develop** a '**Roadmap to an Improved Regulatory Framework**', including:

- Develop shared understanding, objectives and approach for an improved regulatory framework.
- Set out how the TWRRP team and stakeholders can work together to make improvements.

Virtual workshops

First workshop set

- Workshop 1A, Wednesday 2 June, 12:30-14:00 OR
- Workshop 1B, Wednesday 2 June, 14:00-16:00

Second workshop set

- Workshop 2A, Tuesday 15 June, 12:30-14:00 OR
- Workshop 2B, Tuesday 15 June, 14:30-16:00

Draft Agenda themes

- Discuss the program's broader objectives and focus areas
- How to work in partnership, collaborate and co-design
- Roles and responsibilities, regulatory objectives
- Priority areas for improving the regulatory framework

Regional face to face workshops

Locations/dates/times

- Griffith - Monday 21 June - 11am-3pm
- Dubbo - Wednesday 23 Jun - 11am-3pm
- Queanbeyan - Friday 25 June - 11am-3pm
- Tamworth - Tuesday 29 June - 11am-3pm
- Coffs Harbour - Wednesday 30 June - 11am-3pm

Draft Agenda themes

- Share the outcomes from the virtual workshops
- Give a broader audience the opportunity to collaborate and provide feedback.
- Will also include workshop activities on regional collaboration and State Government support focus areas.

Preliminary feedback from pre-workshop interviews

Preliminary feedback on challenges:

- Unclear roles and responsibilities
- Ineffective regulation
- Inconsistent regulatory behaviour
- Lack of coordination among regulators
- Need to articulate objectives and approach
- Lack of community appreciation of cost of services/infrastructure
- Resourcing
- Skills and training

Preliminary feedback on Town Water Risk Reduction Program:

- Positive, seen as circuit breaker to re-set relationships

Questions for Panel

What do you think about the workshop series:

- Purpose?
- Draft agenda themes for virtual workshops?
- Draft agenda themes for regional face to face workshops?
- Reflections on the feedback to date?

Any other comments or feedback for us to consider in preparing for the workshops?

Update
Understanding IWCM strategies
and the IP&R framework

Understanding IWCM strategies and IP&R framework

Context

- The Best Practice Management (BPM) framework operates in parallel with the Integrated Planning and Reporting (IP&R) framework of the *Local Government Act 1993*.
- This aims to ensure that council water & sewerage activities have in place long-term strategic planning, and pricing and full cost recovery in-line with National Competition Policy and the National Water Initiative.
- The BPM framework does not explicitly require IWCMs/strategic water business plans to be integrated with the IP&R framework. However, the *NSW Water and Sewerage Strategic Business Planning Guidelines* provide advice on how councils should do so.
- Anecdotal evidence suggests there is significant variation in the way councils integrate the two frameworks.
- The IWCM framework review provides an opportunity to better understand how councils integrate the two frameworks as well as common barriers to integration.

Understanding IWCM strategies and IP&R framework

Goal

Evaluate how councils are integrating their IWCM strategies/LWU strategic business plans with the IP&R framework and other key documents (eg. corporate risk register).

Evaluation process

- Desktop review of all council IP&R and IWCM/strategic business planning documents, and risk registers etc.
- Follow-up with selected councils about good practice and barriers to integration.
- Review undertaken by a consultant (identified in consultation with the Water Directorate and OLG).

Understanding IWCM strategies and IP&R framework

Outputs

1. IP&R/IWCM strategies mapping tool – to identify the key points where the two frameworks meet.
2. A report identifying:
 - Good practice in integration (to be converted into online case studies).
 - Barriers to integration (to inform the review of the IWCM framework).
 - *Note: Analysis of barriers will be themed-based and won't identify specific councils.*

Links to be included in OLG's IP&R online resources (currently in the process of being updated)

Completed by September 2021 (council elections) to inform the next round of IP&R (must be in place by 1 July 2022).

Questions for the Panel

What do you think about us seeking to understand the links between IWCM strategies and the IP&R framework?

What do you think about our approach to evaluating how councils and LWUs currently integrate IWCM/strategic water planning and the IP&R frameworks?

Are there any specific issues/questions you would like to see included in the review?

Update

Potential pilots – Regulatory re-design

Identifying pilots for regulatory re-design (IWCM strategies)

- Call for expression of interest from councils and LWUs (April 2021)
- Expressions of interest received (April – 30 June 2021)
- Work with councils and LWUs to develop high level potential scope (May – July 2021)
- Evaluate potential pilots to inform the regulatory re-design.

Evaluation criteria for pilots

Draft criteria for evaluation for all TWRRP pilots delivered in partnership:

- How well does the pilot address one or more clear problems, barriers or risks?
- How well does the pilot align with TWRRP focus areas and objectives?
- How likely is the pilot to contribute to systemic or scalable improvements and risk management across the sector?
- Can the pilot be undertaken within the life of the Program?
- Are there sufficient resources (cost and people) to undertake the pilot?

What do you think about the draft criteria?

Potential pilots - regulatory re-design (IWCM strategies)

Themes identified in initial discussions with councils and local water utilities that have expressed interest in participating in the review:

Outcomes
focussed
flexible
regulation

Regional town
water planning

Secure yield
analysis
Regional Water
Strategies data

Integration
with IP&R

As of 19 May, five councils/LWUs or groups of councils/LWUs have expressed interest in regulatory review (IWCM strategy) pilots.

Update
Skills and training

Operator skills and training

- Identification of barriers, possible mitigation factors and opportunities that can be addressed by the Program, informed by discussions with Central NSW JO, Namoi JO, Water Directorate, Fusion.
- Bringing together people already working on creating sustainable training in NSW into a focussed project team.

Barrier	Possible Mitigation	Opportunity
Cost of resource development for new training package	<ul style="list-style-type: none"> • Subsidy for resource development • New model for 'holder' and licencing arrangement for resources 	
Use of third parties	<ul style="list-style-type: none"> • Address perceived risk factors with TAFE 	<ul style="list-style-type: none"> • Use of water industry-based assessors with fully qualified assessors • Brokerage rules and 3rd party trainers' rules relaxed from 1 July for RTOs with a low-risk rating
Skills and training requirements		<ul style="list-style-type: none"> • Develop draft Water Industry Skills Strategy with Skills NSW • Developing scope for state-wide workforce research • Proposed pilot – training skills analysis research for Orana WUA • Include water operations in LGNSW Local Government Careers and Training (the work Jenny James is doing) • Dam Safety NSW – leverage survey results for LWU training requirements • Possible LWU access to WaterNSW dam safety training

Councillor awareness and training

- Five-week process to deliver updated Induction document for decision makers, case studies, Q&As for information and for Councillor interviews

Possible questions to pose to councillors

- *What do you wish you had known about water and sewage management in your council when you began?*
 - *What advice would you give to incoming councillors on their roles and responsibilities for water and sewage management?*
 - *Are there any improvements you would like to see in the way that your water business communicates/interacts with you and Council?*
 - *Specific questions related to incidents and decisions: boil water alerts, drought, restrictions, pollution events.*
- Material tested at LGNSW Water Conference with interactive voting
 - We are arranging video interviews based on case studies

Do you have any suggested questions to Councillors?

Who do you nominate for video interviews?

Are you aware of Councillors coming to LGNSW Conference?

Update

State Government support in emergencies

Progress so far

- Developed a **'long-list' of potential gaps** in the existing support framework based on our initial conversations (summarised in a later slide). This will be refined as we have more conversations.
- Working within DPIE Water to develop a **draft policy statement** clarifying when, why and how DPIE Water supports LWUs in emergencies currently.
- Initial conversations with NSW Water Directorate, NSW Health, DPIE Energy and Utilities Emergency Management Unit (EUEMU) about potential gaps and a possible interagency policy statement (or similar).
- Understanding how emergency management works for regional water utilities in Victoria – initial conversation with North East Water, Victoria (John Day).

Next steps

- **Refine our understanding of the gaps** in the existing support framework by
 - Further conversations with Resilience NSW, Regional NSW, NSW EPA, WaterNSW, Sydney Water, Hunter Water, Public Works Advisory in the next few weeks.
 - Seeking feedback at regional workshops on the gaps identified.
- **Discuss a possible inter-agency policy statement** (or similar) with our co-regulators. This would outline when, why and how we each support LWUs in emergencies, as well as how we work together to provide this support.
- **Develop a DPIE Water emergency response policy** to sit under the above policy statement. This would define clear roles and responsibilities, processes and protocols for supporting LWUs in emergencies.

Gaps stakeholders have raised with us so far

- **Unclear roles and responsibilities** when agencies support LWUs in emergencies
- **Uncoordinated agency support**
- **Insufficient logistical support** where LWUs cannot devote staff to incident management or engaging with offers of support.
- **Under-utilisation of State Owned Corporation support**
- **Insufficient focus on resilience options** within NSW Government funding programs
- **Opportunities for further regional coordination** at every stage (planning, prep, response, recovery)
- **Lack of water/wastewater incident planning** within some Councils
- **Lack of basic emergency management training** within some Councils
- **Lack of scenario testing** by both Councils and agencies

Questions for the Panel

- Are there other stakeholders we should speak to before the regional workshops in June?
- Are there any significant gaps you think we may have missed?
- What do you think about us commencing work immediately to clarify roles and responsibilities around agency support in emergencies? (e.g. via an inter-agency policy statement)
- Are there any other pieces of work that you think we should commence immediately, prior to further consultation?

TWRRP engagement summary

TWRRP engagement summary

Date	Who we met with	Issues covered
21/04/21	Orana Water Utilities Alliance	Overview of TWRRP and potential pilot of a training skills assessment for the Alliance operators
28/04/21	NSW Audit Office	Progress against Audit Office report recommendations and other related NSW council/LWU matters
29/04/21	Energy and Utility Emergency Management Unit (EUEMU) within DPIE	EUEMU role in supporting LWUs in emergencies
30/04/21	Water Directorate	Regional collaboration workstream and potential IP&R/IWCM project
03/05/21	County Council General Managers meeting	General engagement including on TWRRP
10/05/21	Shoalhaven Water	Potential TWRRP pilot re IWCM
10/05/21	OLG	Potential IP&R/IWCM project
10/05/21	North East Water (Victoria)	How NEW works as a regional water utility with other utilities and agencies in Victoria to manage emergencies.

TWRRP engagement summary

Date	Who we met with	Issues covered
12/05/21	Cowra Shire Council (Mayor, GM and Director)	Feedback on IWCM strategy development and opportunities to improve the Department's approach through the TWRRP. Potential TWRRP pilot for IWCM framework review.
12/05/21	Central NSW JO (Jenny Bennett)	Opportunities for collaboration between councils and LWUs
12/05/21	Orange City Council, Cabonne Shire Council, Blayney Shire Council, Central Tablelands Water	Feedback to DPIE Water on existing IWCM framework Potential TWRRP pilot for IWCM framework review
13/05/21	Central Tablelands Water	Central Tablelands Water strategic planning workshop
14/05/21	Water Directorate	Further discussions re potential IP&R/IWCM project
14/05/21	Nambucca Valley Council (Mayor and GM)	Overview of TWRRP and opportunities for Nambucca Valley Council to be involved in TWRRP
14/05/21	Public Information Advocacy Centre (PIAC)	Overview of TWRRP and opportunities for PIAC to be involved in program.
18/05/21	Namoi JO (Rebel Thompson)	How to address training deficits – TAFE, other RTOs in regional areas Support for training resource development
18/05/21	Fusion (Lucas Sharpin)	Barriers for RTOs to offer water operations training packages
24/05/21	Central NSW JO	Skills and training and regional collaboration workstreams

Feedback from/issues raised by Panel
members

Next meeting

- Next meeting is scheduled for Wednesday 23 June 2021 at 9.30am
- This coincides with the proposed regulatory regional workshops.
- Options include to hold the meeting
 - via Teams one week earlier (e.g. Wednesday 16 June).
 - via Teams on either Tuesday 22 June or Thursday 2 June.
 - at a DPIE office in the town where the regional workshop with the greatest number of Panel attendees is being held (with those SAP members not present attending via Teams).
- **Have more to say?** Email the team at regional.town.water@dpie.nsw.gov.au