

Town Water Risk Reduction Program—Outcomes and action items

Meeting 4 | 28 April 2021, 9:30 – 11:30 am

Attendees

Table1. Attendees

Invitees	Guests	Others
<ul style="list-style-type: none"> • Clr Bill West, Local Government NSW • Mr Brendan Guiney, NSW Water Directorate • Ms Meredith McPherson, Central West Joint Organisation of Councils • Mr Peter Marczan, Environment Protection Authority • Mr Michael Blackmore, Director Local Water Utilities, DPIE – Water • Mr Aaron Drenovski, Goldenfields Water (County Council member) • Mr Graham Kennett, Kyogle Council (LWU General Manager member) • Ms Rebel Thompson, Executive Officer Namoi Joint Organisation of Councils • Mr David Kirby, Brewarrina Shire Council (LWU manager) • Dr Annalisa Contos, Atom consulting (Consultant representative) • Ms Erin Cini – Director Town Water Risk Reduction Program (Chair) 	<ul style="list-style-type: none"> • Mr Sanjiv Sathiah, Senior Policy Officer, Infrastructure and Finance, LGNSW • Ms Melissa Gibbs, Director Policy & Sector Development, OLG • Ms Amanda Chadwick, Executive Director Water Sector Reform, DPIE – Water. <p>Ms Jane Blakeney – Communications Manager, DPIE Water</p>	<p>Town Water Risk Reduction Program team members:</p> <ul style="list-style-type: none"> - Mr Sascha Moege - Dr Nanda Altavilla - Mr Josh Tickell - Mr Padraic Gidney - Mr Andrew Fraser - Mr Glen Colley <p>(Secretariat)</p>

Apologies

- Dr Katrina Wall, NSW Health Water Unit
- Mr Luke Walton, Executive Director Planning Policy, DPIE – Planning & Assessment.

Outcomes

Table 2. Outcomes.

Agenda item	Outcomes
1	<p>Acknowledgement of country</p> <p>Welcome</p>
2	<p>Outcomes/actions from the previous meeting</p> <ul style="list-style-type: none"> • The Panel received a briefing on the outcomes and actions from the previous meeting, which were accepted. • There were no outstanding action items.
3	<p>Latest news and updates</p> <ul style="list-style-type: none"> • Various DPIE Water website updates have occurred in the past month and are planned: <ul style="list-style-type: none"> ○ Advice for NSW councils and local water utilities who are currently preparing an Integrated Water Cycle Management (IWCM) Strategy or about to commence that process about the options available during the review of IWCM processes. ○ Initial updates providing transparency about the existing IWCM assessment processes. ○ Pipeline register of what IWCMs have commenced and are in progress will be up later this week, ○ Section 60 process information and approvals progress website updates are expected in the coming weeks. ○ Updates to the TWRRP webpages with Panel information and next steps. • IWCM strategies advice update – all affected councils and local water utilities were contacted with the advice. Several councils and local water utilities have already expressed interest in developing IWCMs as pilots in partnership with DPIE Water. • LGNSW Water Conference in is on Wednesday 7 July to Friday 9 July, in Narrabri. The TWRRP will be represented in several sessions on the Conference agenda. Including a keynote from Dr Jim Bentley, a presentation on the TWRRP by Erin Cini, a session on Councillor training by Josh Tickell and the Water Directorate's sessions will have a focus on TWRRP. • LGNSW confirmed that Minister Pavey is unable to attend the LGNSW Water Conference in person and asked for TWRRP team to extend an invitation from LGNSW for the Minister to participate virtually. <p>Action 4.1: DPIE Water to extend LGNSW's invitation to Minister Pavey to participate in the LGNSW Water Conference virtually.</p>

Agenda item	Outcomes
4	<p>Update: Proposed regulatory improvement workshops and engagement</p> <ul style="list-style-type: none"> • Elton Consulting are engaged to support DPIE Water in initial regulatory improvement focussed workshops in June. • The TWRRP Team gave an update on the proposed approach to the workshops, outlined in the meeting presentation slides. • Panel members supported DPIE Water’s proposal to only interview some Panel Members in pre-workshop interviews, since Panel Members have an opportunity to provide views and feedback through the Panel. This provides an opportunity to include additional views in the workshop planning. • Panel members were encouraged to let the TWRRP Team know by COB Wednesday 29 April if they had suggestions for interviewees (particularly any voices in the industry not already included). <p>GUIDANCE:</p> <ul style="list-style-type: none"> • The Panel supported the direction DPIE Water is taking, acknowledged the substantial work by the team over the past month, and provided the following feedback: <ul style="list-style-type: none"> ○ Ensure the Regulatory Framework focus area clearly identifies improvements to DPIE Water’s regulatory processes as the priority. ○ Consultation: Holding virtual workshops and appointing a Sydney based consultant, may be perceived as city centric. However, it was acknowledged that virtual and regional face-to-face workshops are intended to ensure that the views and perspectives of regional councils are adequately represented. ○ The TWRRP team should work with councils and local water utilities about what works best in terms of doing the consultation and the Panel can provide advice on who are the right people to get at workshops. ○ Language: Using the term “maturity” suggests that a lot of councils are not mature or capable. This could lead to suspicion that smaller LWUs may be susceptible to amalgamation. This needs to be acknowledged and addressed. ○ Workshop locations: Queanbeyan and Wagga locations are relatively close. Somewhere in the Hunter or the New England/North West may be more appropriate. ○ Consultation timing: Consider Local Government Elections in September and be mindful that this process may be close to and during a period of electioneering for councillors and potential candidates. LGNSW confirmed the timing of the workshops in late June/early July is appropriate. ○ Workshop size: Proposed virtual workshop size seem reasonable contingent on stakeholders being advised that there will be a later opportunity to in face to face workshop in regional locations. ○ Consult OLG about suggested people for interviews and workshops. <p>Action 4.2: Panel to provide input by COB Wednesday 29 April on suggested workshop interviewees.</p>

Update: Skills and training focus area

Councillor training

- The TWRRP team provided an update councillor training, advising that it is morphing into a comprehensive online resource rather than a straight training package. The package is:
 - Intended to be used for induction of new councillors after the September elections. Will be part of the OLG induction sessions but will also stand alone.
 - Builds on the Water Directorate water literacy document, incorporating feedback from co-regulators, agencies and Panel members.
- The TWRRP Team is engaging a consultant to help develop some case studies to help councillors understand their role around water management. Intending to take a narrative approach rather than just a dry (legislation/regulation based) approach.
- TWRRP Team is liaising with Dam Safety as dams are large risks for councils and local water utilities.
- Will present initial material to the LGNSW Water conference for comment and discussion.
- TWRRP Team will reach out to Panel members about what we can highlight in case studies.

GUIDANCE

- Dam Safety is a current and sensitive topic given the dam safety levy proposal. The TWRRP Team will need to consider this. The Water Directorate made a submission to Dam Safety on the levy.
- The following elements were suggested for inclusion in the councillor training resource:
 - A case study to show good community engagement, media, expectations management by a Council.
 - Asset management and strategic planning.
 - Case studies about water source/availability (what to do in situations where there is lack of water security).
 - Succinct information about water management licensing (eg. It is not just a matter of building a pipe etc, you need to go through the licensing application process so do not leave it too late).
 - Water security.

Operator training

- The TWRRP Team provided an update on operator training, advising that:
 - There is lots of work going on at the State and Commonwealth Government level which the TWRRP Team has been able to participate in due to the timing.
 - The TWRRP Team is working closely with Training Services NSW to develop Water Skills Strategy.
 - The TWRRP Team presented to the NSW Industry Training Advisory Bodies (ITABs) yesterday along with LGNSW. There is lot of cross over with more general council training and skills retention issues.
 - There is a new training provider, Fusion, who are talking to the industry about the barriers to them being an effective trainer in the market.
 - In relation to data and research, the TWRRP Team intends to quantify training needs amongst councils across the whole state/market. This research will help

Agenda item	Outcomes
	<p>inform Training Services NSW in outlining the problem, the need for future training, and making the case for funding to address this.</p> <ul style="list-style-type: none">○ The TWRRP Team is starting to its mind to implementation issues.○ The TWRRP Team is also looking at career progression encouragement, and to provide consistency across the industry. <p>GUIDANCE</p> <ul style="list-style-type: none">● While the developments are very positive and heading in the right direction, there should be a focus on developing more case studies and sourcing industry intelligence.● There is funding available from both federal and state to boost careers in water management.● Understanding the roll of TAFE NSW is important (including TAFE's work converting units and modules over to the new national water package) and the new, proposed Technology Institutes.● Panel is interested in understanding the scope of the Orana and other pilots in this space – suggested presentation/s for future Panel meetings.● NSW engineering registration does not currently cover the water sector well.● Consider school-based training opportunities.

5

Discussion: Draft focus area workplans

- A discussion was held in relation to the proposed work plans, which were distributed to Panel members prior to the meeting for consideration.
- Following some confusion amongst Panel members of the scope of the “Investigate alternative funding models” focus area, the TWRRP Team provided an update, advising that:
 - It is intended to be an investigation, looking at alternatives to the current capital funding model (largely through SSWP).
 - The Commonwealth Productivity Commission recommended a community service obligation (CSO) model. This would involve setting a minimum service level which all LWUs are required to provide. Where a LWU could not afford to resource this fully, the Government would fund the gap.
 - The investigation would look at the pros and cons of the CSO model, as well as the existing model and other potential models.
 - The investigation would be public. The TWRRP Team would publish investigation documents, seek feedback from the sector, and then provide advice to Government.
 - Any future implementation would be over many years. seek a staged implementation of the supported new model or portfolio of models.

GUIDANCE:

The following general points were raised in the discussion:

- The Local Water Utilities team was congratulated for publishing the information for councils about the impact of the TWRRP on IWCM.
- The Team should better demonstrate how the workstreams overlap.
- One Panel member requested the TWRRP Team provide detailed documents to the Panel earlier to ensure there is appropriate time to consider them.
- In terms of language, the focus is still on councils but needs to be more focussed on how DPIE Water can also improve (eg. development of infrastructure, building confidence in terms of regulation, how will cost benefit analysis be applied in the regulatory framework).
- Should include NRAR in the regulatory improvement consultation.
- Consider how to capture all the informal conversations happening into the work plans.
- Consultation fatigue is a big issue (there are currently lots of issues that councils and the sector are being asked to comment on across quite a Government agencies). The TWRRP Team should liaise with those parts of DPIE Water who are undertaking consultation already (eg; Regional/State Water strategies) to avoid consultation on the same topics or at the same time.
- The recent announcement of the IWCM review has seen councils in the Orana breathe a sigh of relief. People are taking notice of the work of the Program and the Panel and are glad to see such early progress.
- The TWRRP Team should focus on low hanging fruit for quick wins but also recognise that a lot of these things will take time if they are to be thought out and addressed.
- Need to keep the focus on co-design and meeting the expectations of local government regarding partnership. Also building on existing relationships between councils and state government.

The following points about specific focus areas were raised.

WORKSTREAM 2: Encouraging regional collaboration

- Collaboration: a lot of good will but not specifically stated in the wording.
- JOs believe they have a high level of expertise in this area, particularly in assisting with discussions between the State and local government sector.

WORKSTREAM 3: State Government Support

- It was emphasised that there is still uncertainty about the scope of State-Owned Corporations (SOCs) to support councils, and that this would need to be tested.
- There is a need to consider the adequacy of support for utilities experiencing drought, noting that drought does not qualify as an emergency under the State Emergency and Rescue Management Act framework.
- Most support needs are in project planning and management (assistance on that front can allow business as usual people to get on with their jobs).
- There was a discussion about the role of WaterNSW in relation to SOC support:
 - WaterNSW is excited about the possibility of assisting and having exploratory conversations with the councils about what is helpful.
 - WaterNSW is not looking to push anything on anyone but they are regionally based and can assist with things like forming project management pieces for councils, water quality assessment, SCADA systems that could be integrated with councils who wished to
 - WaterNSW run dam safety training for their staff which could be modified, for example.
 - Some councils want more rapid info on water quality conditions (and more current information). Sydney Water has the resources to run pilots on fluoride analysers etc.
 - In relation to emergency management – when the incidents occur it can be difficult for resource-strained LWUs to put people in place to manage them (ie. being in the response and recovery phase at the same time as business as usual).
- This workstream should expand its focus beyond commercial and collaboration opportunities and specifically investigate how State Government agencies can provide greater support to LWUs that don't have the capacity or access to economies of scale.
- How SOC's can help LWUs will be discussed in the Water Directorate Forum at the LGNSW conference in July 2021.

WORKSTREAM 5: Alternative funding models

- Clarify in TWRRP communications materials what is meant by an alternative funding model. This needs to be clarified.
- The investigation should also look at how councils fund water management because it will impact on the discussion about government funding of LWUs. Consideration should be given to providing more flexibility for councils to generate revenue.
- Sydney Water should be included in this conversation (eg. one Panel suggested the idea of a levy on Sydney metro to pay for regional NSW water).
- Alternate funding models should also look at land use planning and encouraging LWUs to undertake robust strategic planning to inform their long-term infrastructure decisions.
- Funding must be linked to proper planning. The State Government should not reward bad behaviour
- The National Water Initiative funding principle of cost recovery needs to be acknowledged.

Action 4.3: TWRRP Team to be better reflect inter-relationships and co-dependencies between the different workstreams.

Action 4.4: Namoi JO to share detailed comments on draft focus area work plan proposals.

Agenda item	Outcomes
	<ul style="list-style-type: none"> No specific issues were raised by the Panel. The TWRRP Team gave an overview of interagency meetings that were held since the last meeting. The Panel requested that this become a standing item on future agendas. <p>Action 4.5: Add State agency meeting summary/feedback as a standing item to the Panel meeting (also incorporating the quarterly Senior Officers Group meeting feedback).</p>
7	<p>Next meeting</p> <ul style="list-style-type: none"> To be held Wednesday 26 May 2021 – 9.30am start.

Actions arising from 28 April 2021 meeting

Table 3. Summary of actions.

Item no	Action	Responsibility	Due date
4.1	Extend LGNSW's invitation to Minister Pavey to participate in the LGNSW Water Conference virtually.	TWRRP team/Amanda Chadwick	26 May 2021
4.2	Provide input about potential regulatory workshop interviewees.	Panel Members	29 April 2021
4.3	Better reflect inter-relationships between the different workstreams in final focus area work plans	TWRRP Team	26 May 2021
4.4	Provide detailed comments on draft focus area work plan proposals	Namoi JO	30 April 2021
4.5	Add State agency meeting summary/feedback as a standing item to the Panel meeting (also incorporating the quarterly Senior Officers Group meeting feedback).	Glen Colley	15 May 2021