

Town Water Risk Reduction Program

Stakeholder Advisory Panel meeting #15

27 April 2022

What we will cover today



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Acknowledgment of country

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Acknowledgement of country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.



Declarations of conflicts of interest

2

Actions arising from
previous meeting

3

Actions arising from previous meeting



- Briefing on secure yield/water security and planning work - Carried over to May meeting.

Draft regulatory framework - update

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What changes are we making?



What changes are we making?

- We will hold ourselves to account – about decision timeliness, decisions in writing with reasons, enable internal review of decisions, measure our success as a regulator, collaborate with other regulators, publish progress and decisions, be clear when we are regulating and when we are advising
- Strategic planning – clarify what outcomes need to be achieved for strategic planning to be effective and evidence-based, current and flexible assessment of whether utility achieves strategic planning outcomes, no checklists, no prescriptive planning approach, guidance provided
- Dividend payment assessment and approval linked to effective strategic planning
- Section 60 applications – assess at early stage, focus on fit for purpose and risks, will not assess cost-effectiveness, technical assessments can be undertaken by external expert or panel
- Monitoring – reduced duplication, consider how to best communicate results of inspections
- No changes to trade waste
- Commitment to improve coordination with other regulators

Recap – What is in the regulatory framework

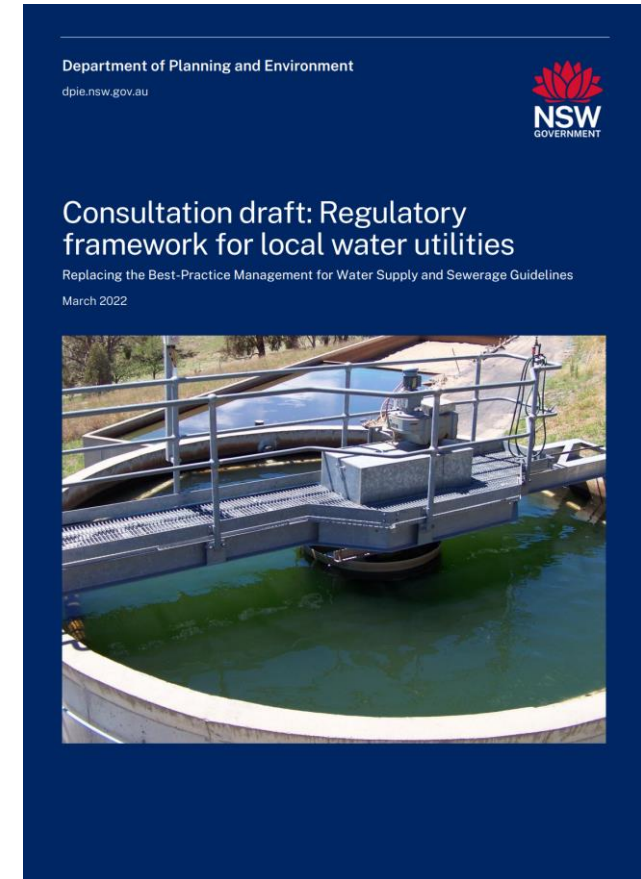
- Sector vision and regulatory objectives and principles
- Regulation of strategic planning
- Dividend assessment (now based on assessment of strategic planning)
- Technical assessment and approvals (s60)
- Inspections of works (s61)
- Trade waste (no change proposed)
- Performance monitoring
- Review of regulatory decisions
- Collaboration between LWU regulators

Next steps - Overview

- Consultation phase – closes 30 April 2022.
- Addressing feedback and submissions (process and resolving differing positions) – early May 2022.
- Implementation work progressing:
 - Progressing development of regulatory guidance.
 - Progressing development of internal processes and quality management.
 - Development of plan for transition into new regulatory framework.

Next steps - Consultation open now

- Consultation draft available on [our website](#).
- We are seeking feedback on key questions included in the draft framework.
- Deadline for feedback is 30 April 2022.
- You can complete a [survey](#) or make a submission to regional.town.water@dpie.nsw.gov.au.
- Survey ask for support and comments on each chapter as well as for answers of key questions.
- Formal submissions will be made public; survey responses not – all to be included in high level feedback summary.



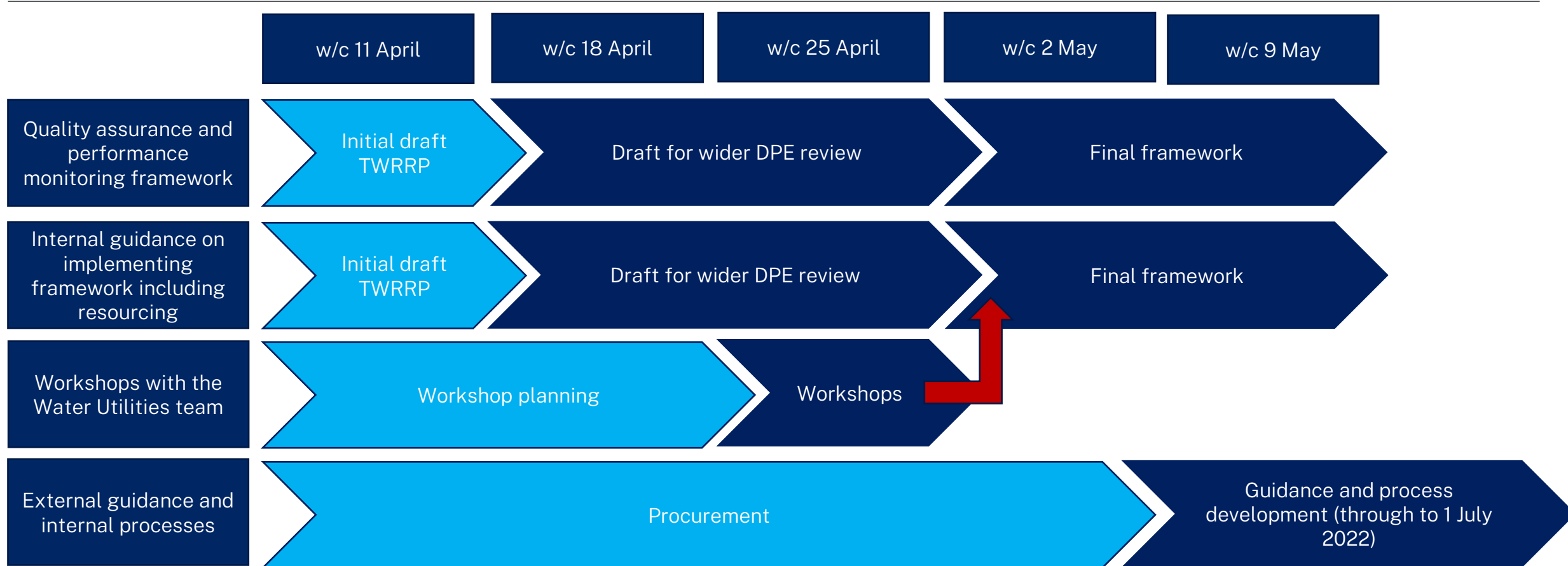
Next steps - Dealing with submission/feedback

- TWRRP team to analyse all feedback and develop responses.
- Responses to be developed based on merit of feedback and alignment with agreed regulatory objectives and principles.
- Discuss proposed feedback responses with WUB and senior executives; developing departmental positions.
- Discuss feedback and proposed responses (departmental positions) with TWRRP working groups.
- Nous Group and TWRRP to make updates to regulatory framework.

Next steps - Actions to deliver and implement



Next steps – Process and guidance documents



Next steps - External guidance documents

Guidance documents	Owner	Status
Using Integrated Performance and Reporting (IP&R) framework for local water utility strategic planning	TWRRP	Published 14 April
Incident and emergency management framework	TWRRP	Publish May
Section 60 assessment and approvals	TWRRP	Procurement underway
12 strategic planning outcome areas	TWRRP	Procurement underway
Performance indicator reporting	TWRRP	Performance monitoring focus team meeting in April to determine final draft list.
Other priorities identified by the sector	TWRRP or other	Waiting on feedback on draft reg fwk

Implementation - update

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Actions to deliver and implement



Implementation and change

DPE Water Utilities team working with the TWRRP team on the changes needed to implement the actions arising from the Town Water Risk Reduction Program

Update:

- Embedded in the production of internal and external guidance, processes and templates as well as internal performance monitoring – strong continuous improvement focus
- Implementation and transitional planning for the new Regulatory Framework underway
- Continuing the journey started last year with collaboration skills training
- In discussions about resources, staff training and development, internal systems and documentation
- Organisational design to test appropriate structures
- Maintenance of DPE Water Utilities team support and advisory functions

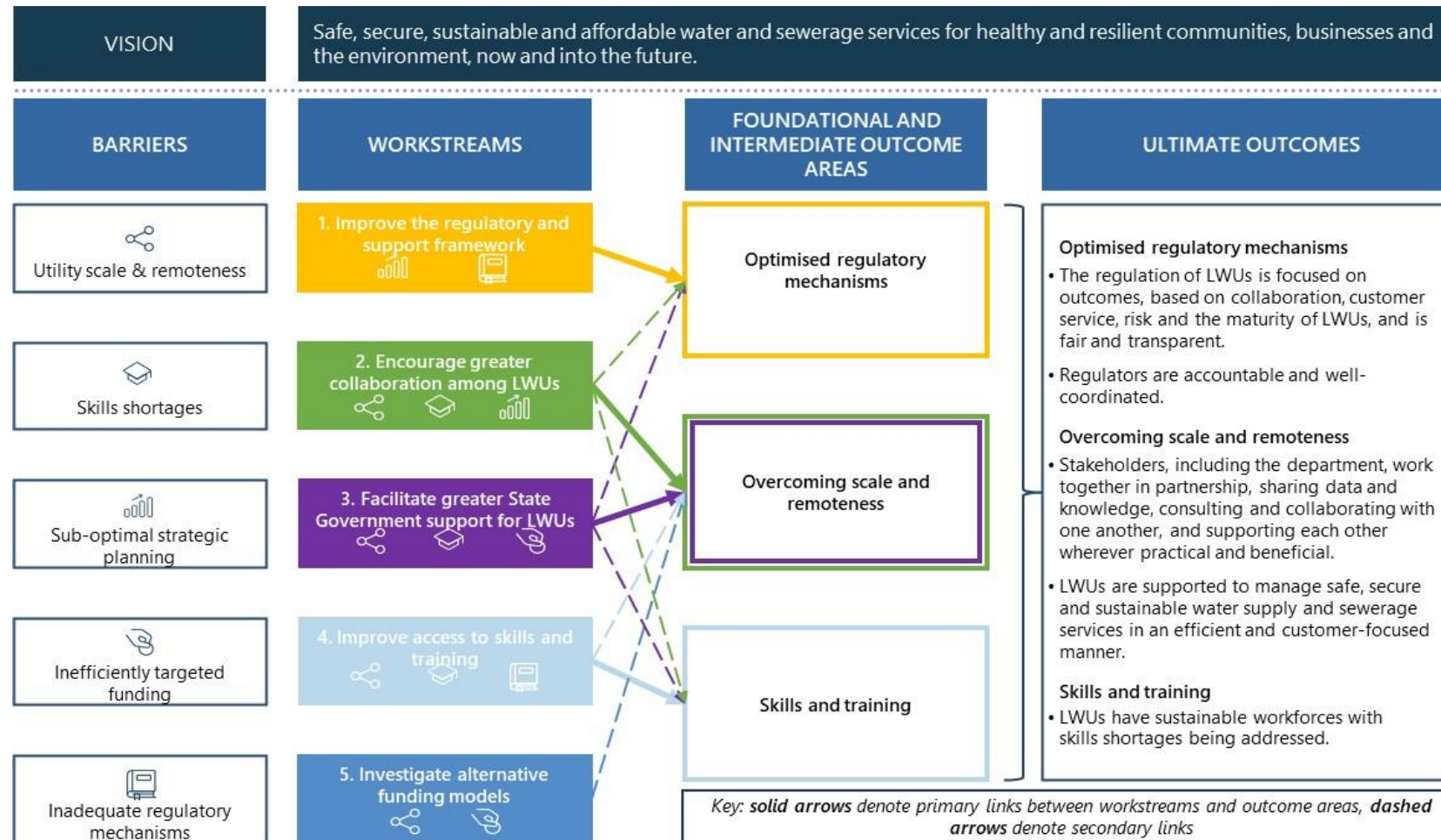
TWRRP evaluation framework

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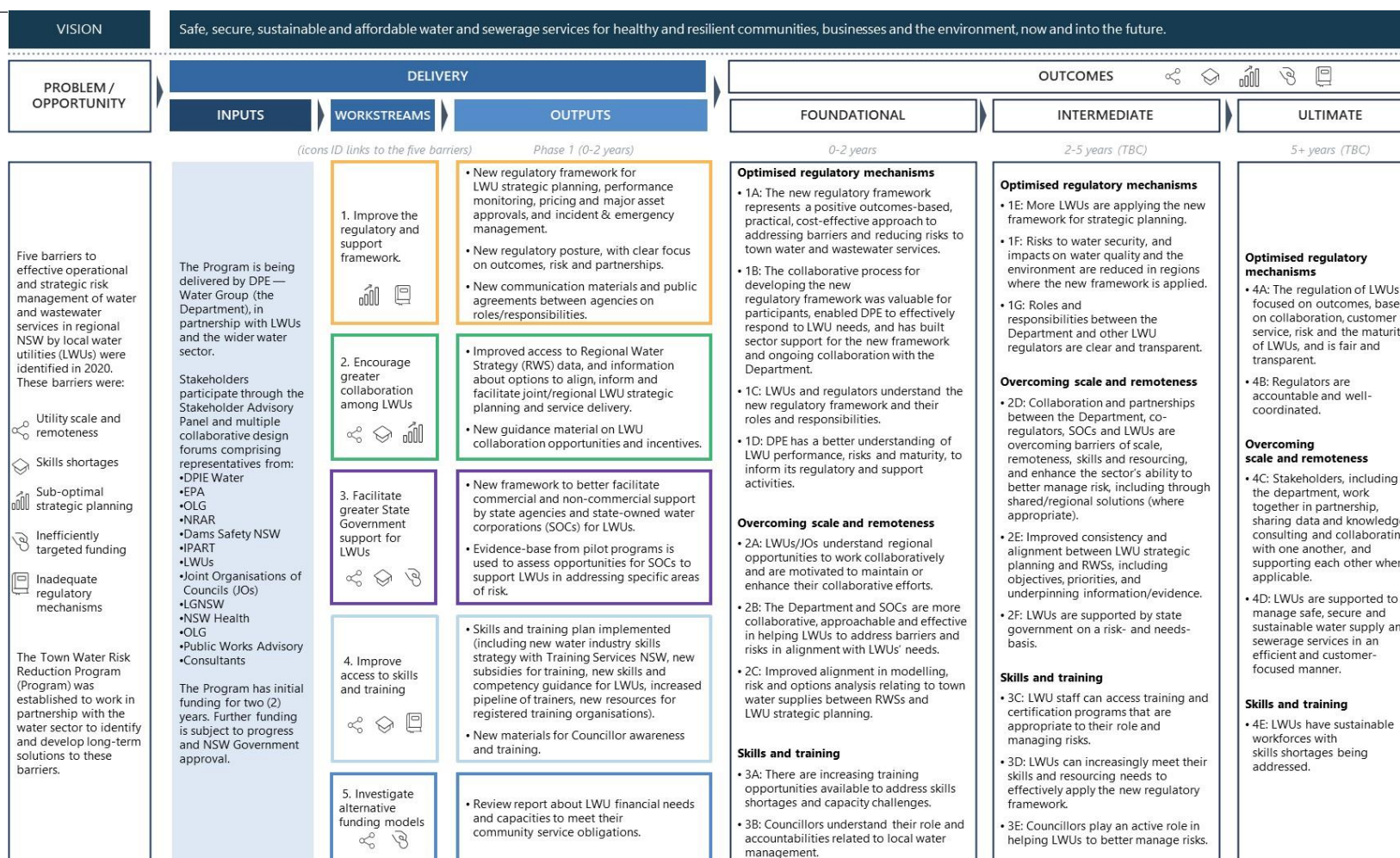
TWRRP evaluation framework - summary

- Aither engaged to evaluate the Town Water Risk Reduction Program (TWRRP). Final evaluation report **due August**.
- **Scope:**
 - Prepare evaluation framework for 2022 evaluation, and any future evaluations if needed
 - Undertake 2022 evaluation, drawing on various methods (consultations, interviews, surveys, published documents, etc.)
 - Prepare a framework to guide evaluation of TWRRP pilot programs (Pilot program evaluation is not in Aither's scope).
- **Evaluation purpose:**
 - Understand achievement of foundational outcomes.
 - Identify actions/outputs delivered through the program so far, and consider how effective these have been in contributing to foundational outcomes and expected contribution to intermediate and ultimate outcomes.
 - Identify recommendations for the future, including what needs to be done to maintain outcomes achieved to date and to achieve further outcomes in the future.
 - Provide findings and recommendations to inform Phase 2 of the Town Water Risk Reduction Program.

Conceptual program logic for the TWRRP



Detailed program logic for the TWRRP



Proposed key evaluation questions

Appropriateness of the TWRRP design to the need

- To what extent does the program address the risk identified at the beginning and during the program? Did the beneficiaries think it was worthwhile?
- To what extent are the program activities still valid/needed for the future, considering the emerging needs of local water utilities and communities affected? What does the department need to do differently or in addition to actions/outputs delivered to date?

Efficiency in TWRRP delivery

- Has the program used resources wisely? Is there anything that could be done differently or better?

Effectiveness in delivering actions/outputs

- To what extent have actions/outputs been delivered as intended and in accordance with expected timelines?
- To what extent have external factors or barriers affected delivery of outputs? If needed, how can the program be improved to respond to these?

Equity in access to the TWRRP

- To what extent is the program reaching intended recipients?

Effectiveness in achievement of outcomes

- What outcomes have been observed as a result of the TWRRP? What unintended outcomes (positive or negative) have arisen, if any?
- To what extent have external factors or barriers influenced outcomes? If needed, how can the program be improved to respond to these?

Equity in sharing benefits

- To what extent have LWUs benefited from the program according to their needs?

Proposed methods and data

KEQ – Process evaluation

Theme and KEQ(s)	Methods and data/information	Data sources
Appropriateness of the TWRRP design to the need	- Review alignment of program plan against problem (key risks to be addressed) - Qualitative insights from interviews - Qualitative and quantitative insights from survey	- Program scoping and planning documents: <u>Roadmap to an Improved Regulatory Framework</u> <u>Elton Report – stakeholder engagement in 2021</u> - Stakeholder interviews - Stakeholder survey
Efficiency in TWRRP delivery	- Summary of expected and actual implementation costs - Qualitative insights from interviews	- Program financial data - Stakeholder interviews (program delivery staff)
Effectiveness in delivering actions/outputs	- Review program progress tracking against implementation/delivery plans - Qualitative insights from interviews	- Program implementation/delivery plan - Program management documentation - Stakeholder interviews (program delivery staff)
Equity in access to the TWRRP	- Review engagement activities and participants - Review of actual stakeholder participation with intended reach - Qualitative insights from interviews - Qualitative and quantitative insights from survey	- Documentation of engagement processes and participation - LWU regulator perception survey - Stakeholder interviews - Stakeholder survey

KEQ – Outcome evaluation

Theme and KEQ	Methods and data/information	Data sources
Effectiveness in achievement of outcomes	- Synthesis of information against outcomes and indicators - Case studies (up to three) that provide examples of achievement across one or more outcome or outcome theme, and are representative of program results. - Qualitative insights from interviews - Qualitative and quantitative insights from survey	- Data sources for specific outcomes and indicators (see Table 4) - Stakeholder interviews - Stakeholder survey
Equity in sharing benefits	- Qualitative insights from interviews - Qualitative and quantitative insights from survey	- Stakeholder interviews - Stakeholder survey

Overview of proposed consultation approach

Draft



	Stakeholder interviews - general	Stakeholder interview – program staff	Stakeholder survey
Purpose	To gather detailed qualitative insights from selected stakeholders, with a focus on: • progress towards achievement of outcomes • future priorities for ensuring success • Explore up to three case studies	To gather detailed qualitative insights from program delivery staff, with a focus on: • original and ongoing rationale for the program • delivery of activities and outputs • progress towards achievement of outcomes • program efficiency • future priorities for ensuring success	To gather brief qualitative and quantitative insights from broader group of stakeholders, with a focus on: • progress towards achievement of outcomes • future priorities for ensuring success
Format	Up to 16 interviews, approximately 45 minutes each: • 13 interviews to discuss the program • 3 interviews to focus on case studies To be held virtually.	1 interview, approximately 1 hour in length. To be held virtually.	Online survey
Broad approach	• Interviews will be guided by a concise set of consistent, open-ended questions that are aligned with the purpose outlined above and unpack the key evaluations. • Additional tailored questions may also be asked of specific stakeholders. • High-level questions will be provided for consideration ahead of the interview.		Questions will capture respondents' perceptions, agreement and satisfaction, using multiple choice, Likert scale, and open-ended questions.
Targeted stakeholders	Each interview will include approximately 1-3 individuals. Participants to be selected from the following: • SAP • Others TBC	The interview to include approximately 3-5 individuals. Participants to be selected from the following: • DPE – program staff	Participants to be selected from the following: • DPE – internal stakeholders • Members of collaborative design groups • Councillors • Additional representatives from local water utilities • Others TBC
Timeframe	May 2022		
Materials	• Invitation email, with brief information on background, purpose, and process. • Interview questions. • Short briefing email including background material and questions to consider ahead of the interview.	• Interview questions. • Short briefing email including background material and questions to consider ahead of the interview.	• Advance notice email, with brief information on background, purpose, and process. • Online survey • Email inviting responses, including instructions • Reminder email.

TWRRP evaluation framework

Questions for the Panel to consider:

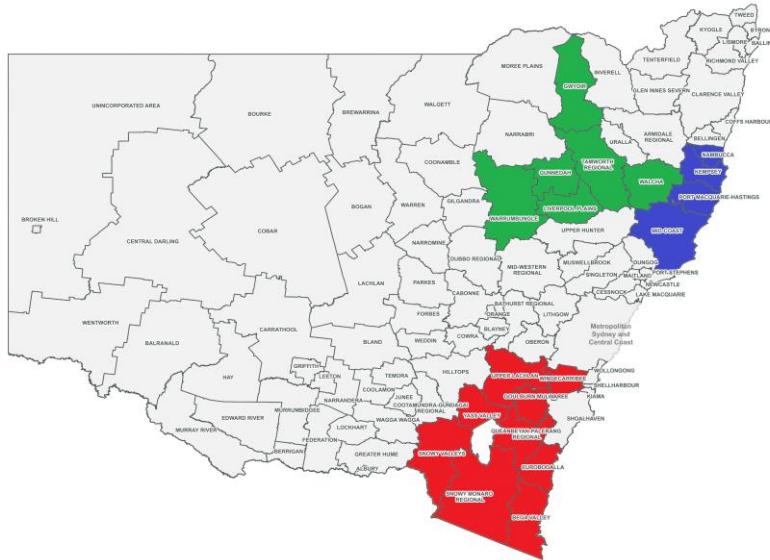
- Is there anything else that should be explored through the evaluation?
- Are there additional data/evidence sources or processes that we could draw on for the KEQs and outcome indicators?
- Do you have any feedback on the consultation approach (e.g. who is proposed to be consulted via what method)?

Regional collaboration pilots - update

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Regional collaboration pilots - update

- EOs sought from the sector to test approaches to collaboration between utilities
- Most responses were from Joint Organisations of councils.



Confirmed pilots

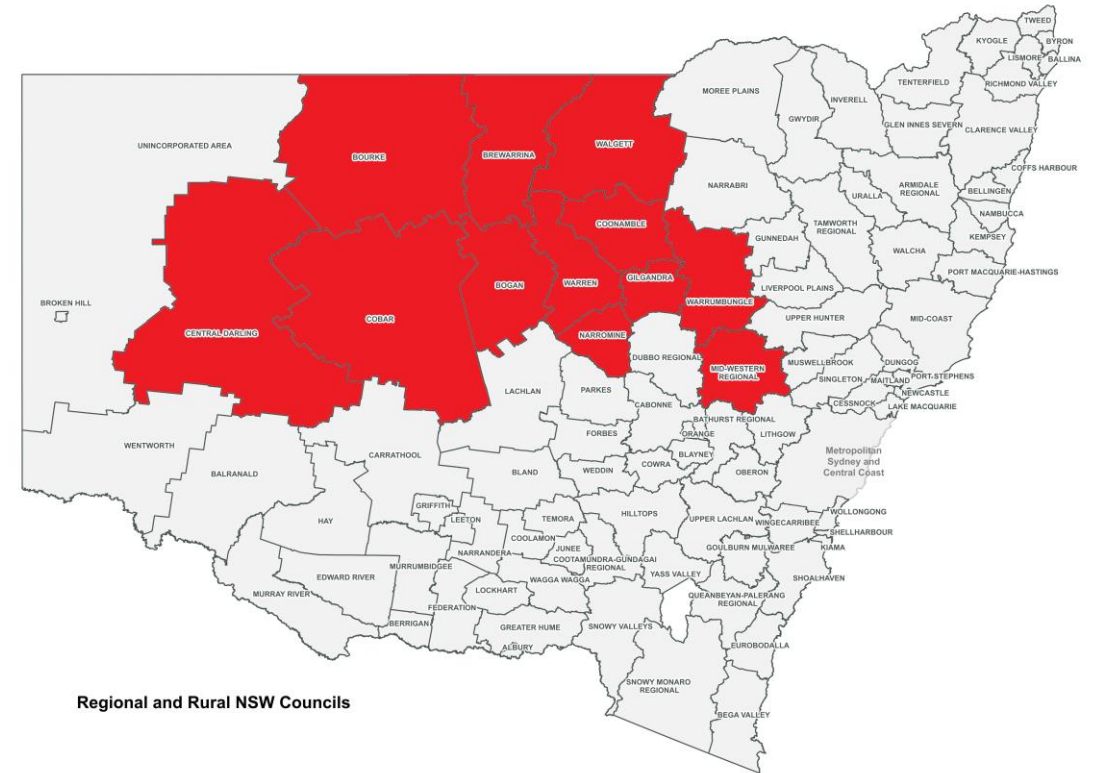
- Namoi JO – Coordinated approach to trade waste management (commenced)
- Mid-North Coast councils – shared asset maturity evaluation (commenced)
- Canberra Region JO – Water Utilities Working Group (TWRRP assisting)

Regional collaboration pilots - update

Pilot type	Councils/LWUs involved	Scope	Status
Test regional collaboration asset management and trade waste management	Namoi JO – Gunnedah, Gwydir Liverpool Plains, Tamworth, Walcha and Warrumbungle Councils.	Trade Waste audit and development of shared service business case for the consideration of participating councils.	Pilot commenced October 2021. TWRRP provided \$30K funding. Consultation document was distributed to participating councils in March for comment. Audit and shared service business case to be finalised by end of June 2022.
	Kempsey, Mid-Coast, Nambucca and Port Macquarie Hastings Councils	Reduce asset management risks through an shared asset management gap analysis and capacity building process.	Hunter H2O appointed to undertake project. Procurement process involved TWRRP, Mid-Coast and Port Macquarie Hastings Councils.
	Canberra Region Joint Organisation	Possible asset management review	Has established a Water Utilities Working Group, with an opt-in model. Water group met in late March to consider potential projects. TWRRP may provide in kind support or funding, depending on need.

Regional collaboration pilots - update

- A separate regional collaboration focussed pilot has been established under the TWRRP skills and training workstream
- Involving Orana Water Utilities Alliance Councils (Bourke, Bogan, Brewarrina, Bourke, Central Darling, Cobar, Coonamble, Gilgandra, Mid-Western, Narromine, Walgett and Warrumbungle Councils)
- We are also running a remote technology pilot with Bourke and Cobar councils, which is being delivered by Veolia.
- The Water Utilities team are separately trialling remote headsets in their work with local water utilities.



Regional collaboration pilots - update

Pilot type	Councils/LWUs involved	Scope	Status
Test regional approach to workforce planning, and operator competency and training	Orana Water Utilities Alliance (OWUA) Bogan Shire Council Bourke Shire Council Brewarrina Shire Council Cobar Shire Council Coonamble Shire Council Gilgandra Shire Council Mid-Western Regional Council Narromine Shire Council Walgett Shire Council Warren Shire Council Warrumbungle Shire Council	Reduce water quality, environment and operational risks Mapping competencies and skills for operators across the urban water cycle Develop training needs analysis for each utility in Alliance to identify training gaps and attracting training providers Develop template for other utilities to self determine training needs	In progress OWUA committed to providing human and data resources
Remote technology support	Bourke Shire Council Cobar Shire Council	Test remote technology as a way of supporting local water utility operations.	In progress. TWRRP has funded an external contractor to provide this support on a trial basis.

Operator training – update

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Operator training - update

- Addressing the major barrier for registered training organisations (RTOs) to offer comprehensive operator training – access to high quality training and assessment training documents
 - engaging with RTOs and sector to identify a fast track to update and share resources
 - consultant to develop options for a national model for sharing and maintenance of units in the national water training package.
- Engaging with TAFE to ensure that training is responsive to local water utility and sector needs
- We propose the department transitions to VET principals for future training to support the local water utilities and RTOs for operator training and development. The department is also developing other bespoke training for local water utilities in response to emerging risks.

Councillor training- update

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Councillor training - update



Training completed

Councillor webinar induction

Part of the OLG 'Hit the Ground Running' webinar series. Webinar for councillors on focus on the importance of water services to regional communities, and role and responsibilities of councillors.

Resources available on our website

Water industry induction handbook

Designed to support councillors and water managers to understand the services of their local water utility. A customisable version is also available.

Induction slide template

A customisable slide deck for council General Managers and local water utility managers to support their training of councillors about their water business.

Councillor video series

Featuring 6 councillors representing a range of council-owned local water utilities reflecting on the roles and responsibilities of councillors in regional NSW local water utilities.

May release

Case studies

6 case studies of best-practice local water utilities decision-making, taken from the experiences of council led responses to incidents.

Word cloud results

How are feeling about your water business



WaterNSW pilots - updates

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Dam Safety pilot (Commenced)

- 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.
- The pilot will involve three councils that have recently gone through a Dams Safety NSW audit process (Clarence Valley, Orange City and Tamworth Regional).
- Commenced in April 2022.
- WaterNSW has organised site visits with the participating councils in late April and early May 2022.
- Finalisation of the pilots expected in July 2022.

River operations pilot (Confirmed)

- Identified opportunities to leverage WaterNSW river operations – including water quality and quantity monitoring, analysis of information, and decision-making support.
- WaterNSW has finalised scope with Hay and Murrumbidgee councils
- Final arrangements to be made with DPE for funding but project is commencing late April 2022.

WaterNSW pilots - update



Catchment management water quality pilots (Confirmed)

- WaterNSW is proposing to work with Tweed Shire Council to assist them to develop an approach to catchment based water quality management.
- WaterNSW will utilise its Greater Sydney catchment and water quality expertise to work with TSC 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.
- WaterNSW will also assist Kyogle Council on specific areas of risk.
- Richmond Valley has decided not to participate due to flood recovery.
- Scoping discussions have been completed between the TWRRP and WaterNSW, and WaterNSW will contact Kyogle and Tweed soon to progress.
- Pilot expected to commence in late April/early May 2022.

Panel member issues

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Next meeting and a look
ahead

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Next meeting and a look ahead

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- Draft regulatory framework feedback closing 30 April.
 - Next meeting Wednesday 25 May 2022 (9.30am)
 - Update on regulatory framework
 - Update on the secure yield methodology work underway (action from the March meeting)

Items for noting

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A. TWRRP engagement summary March/April 2022

Date	Who we met with	Issues covered
28/03/22	NSW Health	Potential water quality strategic planning outcome guidance
05/04/22	Various councils in the Lachlan region	Lachlan Regional Water Strategy Workshop
06/04/22	NSW Agrifood Industry Training Advisory Body	Skills and training
07/04/22	TAFE NSW	Operator training offerings
06-08/04/22	WIOA Conference	Erin Cini presented on behalf of TWRRP
12/04/22	Local water utility sector stakeholders	Presented a <u>webinar</u> for stakeholders to provide an overview of the draft regulatory framework.
20/04/22	OLG	Central Darling Shire Council
21/04/22	OLG	Local Government Risk Management framework opportunities for LWU regulatory framework
21/04/22	Orana Water Utilities Alliance	Provided an update on TWRRP to the OWUA monthly meeting

Town Water Risk Reduction Program

regional.town.water@dpie.nsw.gov.au