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Cover image: Image courtesy of Therese Hulme, Department of Planning and Environment - Water. Bemboka River, Morans Crossing.

Acknowledgments: The NSW Government acknowledges First Nations people as its first Australian people and the traditional owners and custodians of the country's lands and water. First Nations people have lived in NSW for over 60,000 years and have formed significant spiritual, cultural and economic connections with its lands and waters.

Today, they practice the oldest living culture on earth.

The NSW Government acknowledges the First Nations people/Traditional Owners from the South Coast region as having an intrinsic connection with the lands and waters of the South Coast Regional Water Strategy area. The landscape and its waters provide the First Nations people with essential links to their history and help them to maintain and practice their traditional culture and lifestyle.

We recognise the Traditional Owners were the first managers of Country and incorporating their culture and knowledge into management of water in the region is a significant step towards closing the gap.

Under this regional water strategy, we seek to establish meaningful and collaborative relationships with First Nations people. We will seek to shift our focus to a Country-centred approach, respecting, recognising and empowering cultural and traditional Aboriginal knowledge in water management processes at a strategic level.

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 where First Nations people are included socially, culturally and economically.

As we refine and implement this regional water strategy, we commit to helping support the health and wellbeing of waterways and Country by valuing, respecting and being guided by First Nations people/Traditional Owners, who know that if we care for Country, it will care for us.

We acknowledge that further work is required under this regional water strategy to inform how we care for Country and ensure First Nations people/Traditional Owners hold a strong voice in shaping the future for Indigenous/Aboriginal and non-Aboriginal communities.

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Contents

Introduction	4
Consultation	6
How we engaged	6
Summary of key themes raised	9
About this report	11
Feedback by theme	13
Theme 1: Aboriginal knowledge and connection to Country	13
Theme 2: Water security and quality	14
Theme 3: Environmental and ecosystem health	16
Theme 4: Climate change and data modelling	17
Theme 5: Finalising and implementing the strategy	18
Feedback on challenges, priorities and actions	20
Feedback on challenges, priorities and actions	20
Feedback on options not shortlisted	27
Suggested additional actions	27
Response to feedback	29

Introduction

The NSW Government is taking action to improve the security, reliability, quality and resilience of the state's water resources for current and future generations.

As part of this program of investment and reform, the NSW Department of Planning and Environment (the department) has prepared a number of regional water strategies across NSW.

Figure 1 Map of NSW regional water strategy regions



The regional water strategies adopt a long-term approach to strengthening and building the reliability and quality of the state's water resources for the next 20 years. They combine climate evidence and economic and ecological analysis with input from water service providers, local councils, communities, Aboriginal people, and other stakeholders.

They consider how much water a region will need to meet future demand, the challenges and choices involved in meeting those needs, and the actions that need to be taken to manage water availability and security risks.

Figure 2 South Coast Regional Water Strategy: overview of strategy vision, objectives, water security challenges and priorities

			Vision			
Our vision for the South Coast Regional Water Strategy is to support the delivery of healthy, reliable and resilient water resources for a liveable and prosperous region.						
			Objectives			
Deliver and manage water for local communities	Recognise protect Abor water righ interests a access to w	riginal nts, and	Enable economic prosperity	enh	otect and nance the rironment	Affordability
Regional challenges to meeting our vision and objectives						
÷			6			
Declining catchment and river health	Competition low flow		Saltwater intrusion into freshwater sources	Peo ar	boriginal ple's rights nd access to water	Water security for South Coast towns and industries
Priority 1			Priority 2			Priority 3
			Priority 2			
Take a holistic approach to land and water management Ensure water resource development and use is sustainable and equitable Prepare for future climatic extremes						
Actions 1.1–1	.10	Actions 2.1–2.6 Actions 3.1–3.6				

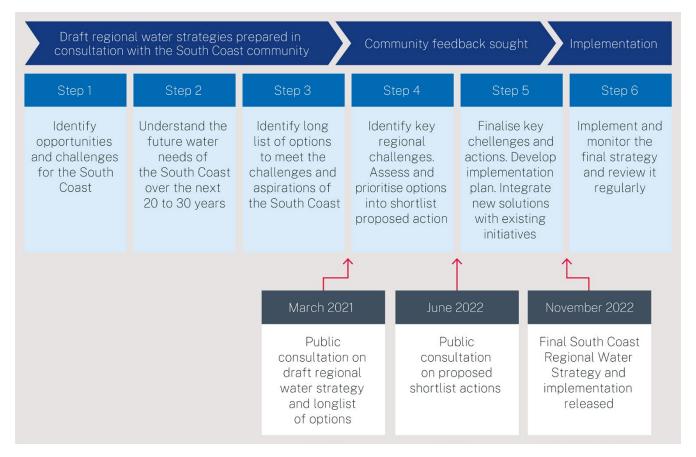
Consultation

The purpose of consulting with the community during strategy development was to share information and gather feedback to shape the strategy and implementation plan over a 3-year phased engagement approach.

How we engaged

The department has taken a staged approach to developing the South Coast Regional Water Strategy (strategy), which has been informed by community engagement at each step.

Figure 3 Regional water strategy implementation process



Public consultation phase 1 (October 2020)

The <u>draft strategy</u> was placed on public exhibition from 30 October to 13 December 2020. It included a detailed analysis of the challenges and opportunities in the region, as well as a long list of options with the potential to address the challenges and opportunities.

The feedback received during public consultation phase 1, and the department's response to this feedback, is published in the <u>South Coast Region Draft Regional Water Strategy What We Heard (2021)</u> report.

Following the first round of consultation, and further technical analysis and modelling, the long list of options was distilled into 3 priority areas and 23 proposed shortlisted actions designed to address the water security challenges specific to the South Coast region.

Public consultation phase 2 (June 2022)

A second draft of the strategy—comprising an <u>Executive Summary</u> and <u>Consultation</u> <u>Paper</u>—was placed on public exhibition from 4 May to 1 June 2022.

During public consultation phase 2, the department engaged with:

- Aboriginal communities
- Local councils
- · Landholders and other individuals
- Business and industry groups
- Peak organisations
- Community members and organisations.

A timeline of engagement activities is shown below:

Figure 4 Public consultation phase 2 timeline of engagement activities

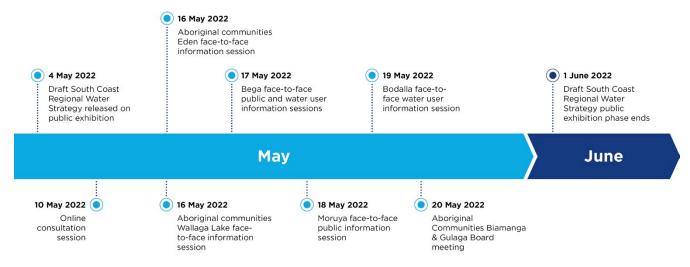
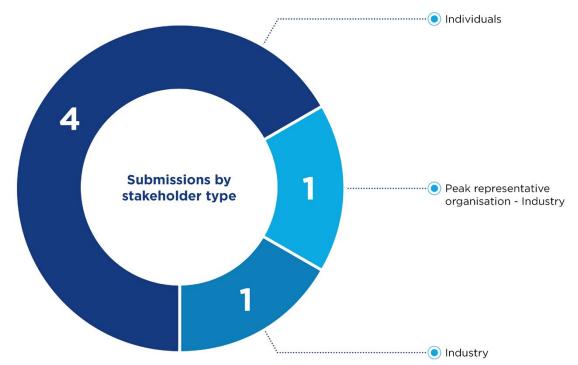


Figure 5 Public consultation phase 2 engagement at a glance



Figure 6 Public consultation phase 2 overview of submissions by stakeholder type



Summary of key themes raised

The department received a range of general feedback on the draft strategy. Stakeholders raised broadly consistent themes across public consultation phases 1 and 2, with the exception of more feedback in phase 2 about how the strategy would be finalised and implemented.

Table 1 Summary of themes and sentiment

Theme Public consultation phase 1 Public consultation phase 2 Aboriginal knowledge and connection to Aboriginal knowledge and connection to Country Country Broad support for improving the Strong support for recognising Aboriginal recognition of Aboriginal people's water people's water rights, interests and rights, interest and access to water. access to water, as well as ensuring that Aboriginal knowledge and experiences are Water-related programs that consider integrated into long-term land and water social and economic benefits, as well as management. provide employment, were encouraged. **Water security** Water security and quality Water security was raised as a concern. Water security remains of high importance to South Coast communities, including for There was support for increased water local businesses that depend on reliable efficiency in agriculture, as well as and safe water supply for their continued monitoring water extraction. operation, particularly agricultural There was concern about wastewater businesses. being pumped to ocean, resulting in Maximising on-farm storage options was missed opportunities for reuse. strongly supported as a means of helping to address water security and quality issues. The impact of rising sea levels on salinity of freshwater sources remains a focus, with barrages recommended to mitigate this. **Environmental and ecosystem health Environmental and ecosystem health** Support improved river and ecosystem Widespread support for the holistic health through restoration of approach to catchment management unhindered flows. advocated by the strategy, which represented a shift in sentiment from Concerns were raised about the impacts

phase 1 consultation.

ecosystem health.

Maintaining regular river flow was also considered as essential for protecting

of rising sea levels and coastal erosion.

Theme Public consultation phase 1

Public consultation phase 2



Climate change and data modelling

Support for the strategy acknowledging climate change and its impacts.

Support for data modelling and its use in future decision-making.

Support for the strategy taking action to manage climate risks.

Climate change and data modelling

Regional resilience and the ability to respond effectively to the impacts of climate change remain a high priority.

Proposed actions were strongly supported; however, there was also concern at the application of a 'one-size fits all' and 'worst-case scenario' approach.



Finalising and implementing the strategy was not raised as a key theme in public consultation phase 1

Finalising and implementing the strategy

There was considerable feedback about the consultation process, with many people expressing their appreciation for the opportunity to provide feedback.

However, this was balanced by a desire for more information on how the strategy and implementation plan would be finalised and transparency in how consultation feedback would be considered and actioned.

The following sections summarise the feedback received for each of these themes, as well as for the priorities and proposed actions in the strategy and consultation paper.

About this report

This report summarises feedback received during public consultation phase 2.

The department received 6 formal submissions and more than 50 people participated in engagement sessions about the strategy.

Feedback from formal submissions and fillable forms, as well as in-person feedback provided at public information sessions, is summarised in the following sections:

- Feedback by theme
- Feedback on challenges, priorities and actions
- Feedback on options not shortlisted
- Suggested additional actions.

The department has also provided a <u>Response to feedback</u> which explains how the feedback received has been incorporated into the final <u>South Coast Regional Water</u> Strategy and implementation plan. This is outlined in full at the conclusion of this report.





Strong support for recognising Aboriginal people's water rights, interests and access to water, as well as ensuring that Aboriginal knowledge and experiences are integrated into long-term land and water management.

Support	Concern
Cultural knowledge and connection to Country	Cultural knowledge and connection to Country
Integrating Aboriginal knowledge and culture into land and water management continues to be strongly supported, with calls for Aboriginal knowledge and connection to Country to also be considered during policy and planning about land and water management.	There was concern that currently only 2 actions reference Aboriginal people and the importance of cultural connection to water within Priority 1.
Economic benefit	Sites of cultural significance
There was continued support for creating economic and employment opportunities for local Aboriginal people.	There was concern that sites of cultural significance were inaccessible for Aboriginal community members and needed to be better protected. This included water holes in Bermagui and Tathra, and the fish traps at Youwaka.
	It was felt that there needs to be a better understanding of where culturally significant

Culturally appropriate consultation

The importance of ensuring that all Aboriginal communities are consulted and able to speak for their own Country and people was emphasised, including supporting collaboration opportunities between Local Aboriginal Land Councils.

Recognising sovereignty

Aboriginal Land Councils.

Aboriginal communities wanted assurances that providing input to the draft strategy would not be construed as, "relinquishing or giving up First Nation Peoples' sovereign rights to a proper and just settlement for the alienation and denial of our People from our waterways and water resources".

sites are and whether they lie on private or public land or lands owned by Local



Theme 2: Water security and quality

Water security remains of high importance to South Coast communities, including for local businesses that depend on reliable and safe water supply for their continued operation, particularly agricultural businesses.

Maximising on-farm storage options was strongly supported as a means of helping to address water security and quality issues.

The impact of rising sea levels on salinity of freshwater sources remains a focus, with barrages recommended to mitigate this.

Support Concern

Water capture and storage

Continued recognition of the importance of increasing on-farm storage opportunities and water-efficient technology to provide greater security and incentives for water-reliant industries.

Support for streamlining approval processes for the construction of on-farm storages.

Support for enabling the construction of temporary sand barrages to aid in the management of saltwater intrusion.

Support for the role of large dams, with feedback indicating that these were more appropriate for a region with high rainfall.

Water capture and storage

Concern that current cost-benefit ratio assessments for on-farm storage and dams do not include capital costs.

Concern that a lack of confidence in a secure water supply and increasing water costs could act as a barrier to investment and see businesses and industries—particularly the agricultural sector—leave the region.

Significant, ongoing concern about the difficulty of capturing and storing water during high-flow periods and the need to retain more water in the catchment.

Concern about the operation and management of existing large dams, which some people felt needed to be improved.

While effluent reuse was supported during dry periods, there was concern that poor storage practices could result in toxic algal blooms and contamination.

Support	Concern
Addressing water security	Balancing water security with productivity
One submission commented that future access to a secure water supply for regional towns and communities could be supported by the Brown Mountain Project.	A suggestion by some that the strategy should balance the need to address water security issues with the long-term viability, security and productivity of the agricultural industry.
Exploring options for recycled water was supported.	
There was a continued acknowledgement of climate change as one of the greatest risks to water security in the region.	
Continued recognition that rising sea levels pose a significant challenge for the region and that saltwater intrusion would further impact the quality of surface and groundwater sources used by towns and agriculture.	

Continued support for actions that help to restore natural flows and improve ecosystem

health in the region.



Theme 3: Environmental and ecosystem health

Widespread support for the holistic approach to catchment management advocated by the strategy, which represented a shift in sentiment from phase 1 consultation.

Maintaining regular river flow was also considered as essential for protecting ecosystem health.

Support	Concern
Holistic approach	Promoting best practice
Support for taking a holistic approach to whole-of-catchment land and water management, with some submissions recommending additional activities to broaden the scope of Priority 1.	It was suggested that educational tools aimed at the agricultural and farming sectors do more to improve awareness of best-practice land management and a proposal that stronger regulation could support these tools.
Maintaining flows	
Support for improving hydrological flows as a means of improving nutrient flow, stimulating riverine activity and reducing salinity.	
Continued recognition of the role that erosion plays in the region, particularly in the wake of the 2019/20 bushfires.	



Theme 4: Climate change and data modelling

Regional resilience and the ability to respond effectively to the impacts of climate change remain a high priority.

Proposed actions were strongly supported; however, there was also concern at the application of a 'one-size fits all' and 'worst-case scenario' approach.

Support Concern

Climate change impacts

There was strong support from both community and industry stakeholders for recognising the significant challenges that climate change presented for the region. In particular, rising sea levels and preventing saltwater intrusion were frequently discussed.

Data and modelling

Some concern was expressed over the accuracy of the data, and the attempt to create a 'one-size-fits-all' model for the region. This was particularly noted in relation to the coastal microclimates that exist across the region, with community members observing that weather forecasting is often inaccurate.

The impacts of climate change and the reduction of flows across the catchment were discussed, with concern over how this would be managed.

Some concern continued to be expressed over the use of the 'worst-case scenario' climate modelling. It was recommended that the results of the modelling be 'ground-truthed' to ensure their validity.

Respondents felt that the use of the 'worst-case' climate scenario would result in measures that were too extreme, and could also impact other agreements such as water sharing plans.

Respondents continued to request that access to data and modelling used to determine the climate predictions be made public.



Theme 5: Finalising and implementing the strategy

There was widespread feedback about the consultation process, with many people expressing their appreciation for the opportunity to provide feedback.

However, this was balanced by a a desire for more information on how the strategy and implementation plan would be finalised and transparency in how consultation feedback would be considered and actioned.

Support	Concern
Strategy development	Strategy development
Appreciation for the opportunities over the phased consultation process to provide feedback and input to the draft strategy, options and proposed actions.	Concern at the length of time taken to finalise the strategy.
Strategy implementation	Strategy implementation
Support for creating efficiencies when finalising the strategy, such as engaging technical experts on the regional water strategies and water sharing plans at the same time.	There was concern that some organisations would have difficulty implementing the strategy without additional assistance.
Support for ensuring that the views of all stakeholders are reflected in the strategy and for the department to clearly and transparently communicate the reasons and processes involved in finalising the strategy and shortlisted actions.	



Feedback on challenges, priorities and actions

The strategy identifies 5 water-related challenges specific to the South Coast region. To address these challenges, it proposed the following 3 priority areas:

- 1. Take a holistic approach to land and water management
- 2. Ensure water resources development and use is sustainable and equitable
- **3.** Prepare for future climatic extremes

Challenges

There was broad support for the 5 key water-related challenges for the strategy. Water security remains an issue of high importance for South Coast communities and taking a holistic approach to whole-of-catchment land and water management was strongly supported.

Shortlisted actions

This section summarises the feedback that was received during public consultation phase 2 about these priorities and actions. It has been collated from submissions, survey-style fillable forms and engagement session inputs.

However, it should be noted that indications of support for specific priority areas and actions reflect the sentiment of those who explicitly referenced this in their feedback. It does not indicate general support from all who made a submission, completed a fillable form or provided input at engagement sessions.

Priority 1: Take a holistic approach to land and water management

The actions shortlisted under this priority will:

- Incorporate Aboriginal knowledge and culture into land and water management.
- Undertake whole-of-catchment planning, decision-making and project delivery.
- Support local landholders to adopt best practice land use and water management.
- Improve our understanding and management of the region's resources.

There was widespread support for this priority and supporting actions.

Supporting cultural water initiatives and improved landholder water management practices, protecting the region's waterways from saltwater intrusion, and maintaining flows through the system were key priorities raised.

Actions nominated by respondents as those they felt should be implemented first are denoted as such in the table below.

Acti	ions	Comments
1.1	Develop ongoing arrangements for the participation of local Aboriginal people in water management	Incorporating Aboriginal knowledge and culture and implementing actions that are consistent with Aboriginal people's custodial values were supported.
		This action was nominated as a priority for implementation.
1.2	Support place-based initiatives to deliver cultural outcomes for	Recommendation to reduce fees and charges associated with cultural water usage to make it easier for Aboriginal people to maintain cultural water licences.
	Aboriginal people	Support for educational programs aimed at bridging the gap between Elders and young people.
		Support for creating a Regional Water Advisory Committee.
		Concern that local water quality and supply limit the ability of Aboriginal groups to maintain initiatives such as community gardens.
		Support for improving collaboration opportunities between land councils.
		This action was nominated as a priority for implementation.
1.3	Support improved governance	Support for whole-of-catchment planning initiatives.
1.4	Deliver a river recovery program	Support for whole-of-catchment planning initiatives.
		Support for maintaining regular river flows to stimulate riverine activity and keep salinity levels low.
		Support for managing riverbank erosion, while recognising this has been exacerbated by events such as the 2019/20 bushfires.
		Recognition by some of the impact of dams and modern water management techniques on water quality and erosion.
		Concern at the variability of seasonal and local climates and how this has impacted the definition of river health.
1.5	Support landholder adoption of best practice land management	This action was supported, with a suggestion that educative tools be accompanied by regulation.
1.6	Assess the vulnerability of surface water supplies to sea level rise and saltwater intrusion	Strong support for facilitating the use of barrages and streamlining the process for implementing these.
		Recognition that saltwater intrusion will be a major challenge for the region due to the impacts of climate change.
1.7	Identify environmental water needs to support healthy coastal waterways	This action was generally supported.

Acti	ons	Comments
1.8	Characterise and plan for climate change and land use impacts on coastal	Widespread recognition that climate change impacts pose a significant challenge for the region, with saltwater intrusion particularly noted as a key risk for groundwater sources used to supply Bega and Tathra.
	groundwater sources	Recommendation that a similar proposed action for surface water be developed to accompany this action.
		This action was nominated as a priority for implementation.
1.9	Protect ecosystems that depend on coastal groundwater	This action was generally supported.
1.10	1.10 Improve monitoring	This action was generally supported.
	of water extraction	Some concern at the need to replace aging gauge infrastructure and at there not being enough river gauges for proper management decisions to be made and to let water users know when they could operate their pumps.

Priority 2: Ensure water resource development and use is sustainable and equitable

The actions shortlisted under this priority will:

- Reduce the impact of water infrastructure on native fish population.
- Better manage competing demands for water.

While there was support for actions aimed at protecting the ecology of the region, there was some concern that future changes may exacerbate water use inequalities and lead to more restrictive regulation.

This included a mixed response to reducing the take of low flows, noting that this would need to be accompanied by other initiatives aimed at improving water security (e.g. onfarm storage).

Actions nominated by respondents as those they felt should be implemented first are denoted as such in the table below.

Actions		Comments
2.1	Improve fish passage	This action was supported, with stakeholders referencing several threatened aquatic species such as blackfish, which occur in the region.
		This action was nominated as a priority for implementation.
2.2	Implement fish- friendly water extraction	This action was supported, with stakeholders referencing several threatened aquatic species such as blackfish, which occur in the region.
		Some concern at ensuring that the proposed screens do not impede the operation and efficiency of pump systems.
		This action was nominated as a priority for implementation.
2.3	Establish sustainable extraction limits for surface water and groundwater	There were mixed views about this action, with some support on the basis that actions related to increased access to high flows and water storage be implemented as a priority before considering action to change entitlements.
	resources	This action was nominated as a priority for implementation.
2.4	Implement daily extraction limits	This action was generally supported.
2.5	Reduce the take of low flows	Strong support for this action, with stakeholders referencing several threatened aquatic species such as blackfish.
		Recognition that low flows will be exacerbated if flow regimes do not change.
		Recommendation for more water storage via dams to ensure consistent flows throughout the year, match seasonal demand and reduce strain on low flows.
		Concern at the difficulty of harvesting high-flows, with the recommendation that greater dam storage would help to better capture and utilise high-flows.
		This action was nominated as a priority for implementation.

ons	Comments
Address catchment- based impacts of increased harvestable rights limits	General support, with a suggestion that an increase in harvestable rights dams may reduce peak-flow runoff and increase baseflows.
Support Aboriginal business opportunities	General support for this action, creating resources that help identify business opportunities and establish sustainable businesses, to reduce reliance on funding. Local bush food programs were given as an example of successful local programs.
	Aboriginal communities want to share their culture with the wider community as well as their own.
	Support for creating access to Wallaga Lake with a jetty, to stimulate business opportunities such as boat tours.
	Support for developing the Umbarra Cultural Centre.
	This action was nominated as a priority for implementation.
	Address catchment- based impacts of increased harvestable rights limits Support Aboriginal business

Priority 3: Prepare for future climatic extremes

The actions shortlisted under this priority will:

- Support water users to manage risk.
- Optimise use of existing water supplies.

There was support for this priority and its supporting actions.

However, responding to climate change impacts and increasing water security for farmers were also noted as priority challenges for the South Coast.

Suggested actions included helping to facilitate the construction of on-farm storage and barrages and reviewing under-utilisation of water licences and regulations around water licensing.

Actions nominated by respondents as those they felt should be implemented first are denoted as such in the table below.

Acti	ons	Comments
3.1 Provide better information about water access, availability and climate risks	This action was generally supported.	
	water access, availability and	Concern there may be a public perception that climate change is not factored into water sharing, with a recommendation for the regional water strategies to communicate how water sharing arrangements respond to climate variability and change.
3.2	Review water markets	This action was strongly supported.
		Concern that irrigation licences are 'unprocurable' and that current systems and processes make it difficult to transfer licences.
		Concern that the Bega-Brogo source is overallocated, whereas the Murrah-Wallaga is not. It was recommended that a process is established to support water reallocation.
		Concern at water licence reliability.
		Concern over future security for the dairy industry, which requires a large amount of fresh water.
		Concern that water licences are under-utilised, with a recommendation for further investigation to understand why.

Actions		Comments
3.3	Investigate increased on-farm storage	This action was strongly supported as the area has high rainfall and is well-positioned to capitalise on increased storage.
		Noted that enabling off-river water storage was key to unlocking further investment in and productivity of the area. This was particularly discussed in relation to maintaining low stream flows and mitigating saltwater intrusion.
		Support for on-farm storage over in-stream extraction methods, although this was conditional on action 2.6 proceeding.
		Concern that the benefit-cost ratio of on-farm dam options has been favourably skewed by not including the capital cost in its analysis.
		Concern at the current challenges to building on-farm dams, including the cost of preparing environmental impact statements, lack of understanding of the process required, a need for a licence where there is no ability to buy or trade licences, and the cost of decommissioning the dam if the licence is sold.
		This action was nominated as a priority for implementation.
3.4	Investigate	This action was generally supported.
	delivery efficiency improvements for the Bega-Brogo regulated	Noted that the Brogo is over-allocated and that non-active licences are contributing to the underutilisation of the dam.
	river system	Concern that the Bega-Brogo Dam requires greater operational planning and management, particularly when approaching critical levels.
3.5	Identify the best option to improve	There were mixed views about this action, with opposition to increasing reserve volume for Brogo-Bermagui town water supply.
	water security for the Bermagui town water supply system	Investigating the use of recycled water was recommended as a potential solution to improving water security.
3.6	Improve water security for lower Tuross water users	Strong support by landholders for reinstating the ability to install a barrage on the Tuross River.
		This was identified as being the most critical action for farmers in the region.
		Recommendation to investigate how recycled water could be used to improve security.
		This action was nominated as a priority for implementation.

Feedback on options not shortlisted

Some respondents provided feedback on actions that had not been shortlisted from the original long list.

It was noted in the draft strategy that some options had not been shortlisted as proposed actions as they would be addressed via other strategies and plans, such as the NSW Water Strategy, or by local councils through their local water utility strategic planning.

Options	Feedback
Option 8 Reuse of reclaimed water	Support for including options that reused reclaimed water, such as Option 8. It was recommended that treated water from Merimbula sewage is harvested, stored and utilised to support water reliability for agriculture during dry periods.
Option 14 Improve releases from Cochrane Dam to better match water demands of irrigators	Support for investigating how water releases from Cochrane Dam could better match the demands of irrigators.
Option 19 Increase capacity of Brogo Dam	Support for increasing the capacity of Brogo Dam; however, it was noted that this should also result in increased water allocation for active water licence holders.
Option 21 Brown Mountain Water Project (pumped hydro scheme)	Support for evaluating the 14 GL Brown Mountain pumped hydro proposal to determine how this could be used to meet social and environmental outcomes.

Suggested additional actions

Some respondents nominated additional actions for consideration as part of the feedback process:

Actions	Feedback
Investigate water licence reliability	It was recommended that additional investigation into reduced water licence reliability is undertaken to understand the extent and cause of the issue and develop actions to improve reliability.
Investigate water licence underuse	Further investigation into water licence underuse in the region was recommended to better understand and resolve this issue.
Reduce cost of cultural water licences	There was support for reducing the fees and costs associated with cultural water licences.
Plan for climate change impacts on surface water sources	There was support for investigating and planning for the impacts of climate change and land use changes on surface water sources.



Response to feedback

The NSW Government has developed the regional water strategies over several years. It has consulted with a range of stakeholders at many points during this process. This has helped us to identify and design the actions that best meet the needs of the South Coast's environment, Aboriginal people, communities and industries.

Throughout the consultation process, some issues that have been identified are relevant at a state level. Many of these state-wide issues have been addressed as priority focus areas for the NSW Water Strategy. Other state-wide issues are being addressed by the NSW Groundwater Strategy and the Aboriginal Water Strategy. At the time of publication of this report, the NSW Groundwater Strategy and Aboriginal Water Strategy remain unfinalised. However, there has been close collaboration to ensure that consistency and timing with these strategies are built into the implementation of the South Coast Regional Water Strategy.

Recent consultation on the South Coast Regional Water Strategy has highlighted some remaining areas of community concern. The sections below outline our response to these concerns.

Aboriginal knowledge and connection to Country

Strong support for recognising Aboriginal people's water rights, interests and access to water remains a key theme, as does ensuring that Aboriginal knowledge and experience are integrated into long-term land and water management.

Recognising and protecting Aboriginal people's water rights, interests and access to water is a high priority for the NSW Government. The NSW Government is developing the Aboriginal Water Strategy as the guiding document to set strategic direction for safeguarding these rights, interests and access. The strategy will be co-designed with Aboriginal people and it will identify and implement state-wide priorities to improve Aboriginal people's rights and access to water. The strategy will

address some of the concerns we heard during consultation, including concerns about cultural water rules.

The South Coast Regional Water Strategy will support these priorities through more localised initiatives. It will also help address many of the key concerns we heard during consultation, including:

- improving Aboriginal people's involvement in water management and in Government consultation processes
- maintaining cultural knowledge and connection to Country
- access to and protection of sites of cultural significance.

Action 1.1 will address concerns about consultation processes. It will support communities to choose how to participate in water management. Establishing effective processes for governance, engagement and knowledge sharing is the first step to improving Aboriginal people's involvement in water management. This can only succeed when government works in partnership with local communities. Governance models mandated by government on Aboriginal communities do not work.

Action 1.2 will support communities to address concerns about maintaining cultural knowledge. Place-based initiatives will allow Aboriginal communities to prioritise the issues and projects that are of the most importance to them.

Following concerns raised during consultation on the South Coast Regional Water Strategy, the NSW Government continues to provide the assurance that input from Aboriginal communities to the draft strategy is not construed as "relinquishing or giving up First Nation Peoples' sovereign rights to a proper and just settlement for the alienation and denial of our People from our waterways and water resources".

The strategy needs to be developed and implemented in an inclusive and culturally-appropriate way. The Aboriginal Water Strategy will be key to how actions within

the South Coast Regional Water Strategy will be implemented. Co-designing programs and allocating appropriate funds will be essential. This will be done with Yuin Nation members in current and new programs as outlined in the Implementation Plan.

Water security and quality

The NSW Government recognises that managing a scare resource like water is difficult. This is one of the key drivers of the Water Management Act 2000 and our strategic direction as outlined in regional water strategies. Water is critical to the environment and to human activities and needs to be shared in a way that supports many different values. The regional water strategies address this by having 5 key objectives that support the environmental, Aboriginal, cultural, community and economic values of the region's water sources. The regional water strategies recognise the importance and interconnections of all these values.

We recognise that there are a variety of mechanisms that ensure water security and reliability is placed within riskbased decision-making frameworks. We acknowledge that some of these mechanisms are the responsibility of government to provide the framework under which people who have an interest in water can make decisions about their own risk in water security and reliability. It is government's role to ensure available information for drought and flood planning and support economic diversification and on-farm and industry efficiency. Action 3.1 will provide water users with access to better information about water access, availability and climate risks.

Water users in the South Coast expressed a strong interest in being able to increase their on-farm storage as this will help them to better manage water security risks and support the long-term viability, security and productivity of the agricultural industry. We also heard concerns from some stakeholders of the environmental impacts of doing this. Action 3.3 of the South Coast Regional Water Strategy will investigate increasing the volume of water stored on farms to help landholders in unregulated

catchments to manage the impacts of climate change on water security. The first step in this process is to assess the impediments to increasing on-farm storages in the Bega Valley catchment.

The NSW Government also recognises that addressing tensions between water users and the environment is challenging. Changes to harvestable rights limits in coastal draining catchments can negatively affect the environment. Action 2.5 of the South Coast Regional Water Strategy will address these environmental effects. It will determine the capacity of individual water sources to sustain changes to harvestable rights limits.

In addition to the analysis we have conducted to date, towns and water users told us they want a better understanding of the risk of sea level rise and saltwater intrusion on the surface and groundwater sources they use. The South Coast strategy includes actions to improve our understanding of these risks.

Environmental and ecosystem health

There was support for actions to improve environmental and ecosystem health and the need to better manage access to low flows and reduce the stress on the region's creeks and rivers was reinforced.

We heard that educational tools aimed at the agricultural and farming sectors could do more to improve awareness of best-practice land management and these tools could be supported by stronger compliance.

The South Coast Regional Water Strategy takes a whole-of-government approach. It also includes interventions for both land and in-stream values. Action 1.5 supports landholders to implement best practice land management and Action 1.4 will restore riparian zones and consider other in-stream interventions. South East Local Land Services work closely with landholders and is implementing a range of programs to improve natural resource management in the South Coast, including the Bega Environmental Management Systems delivered in partnership with Bega Cheese to improve environmental management of on-farm riparian areas.

Climate change and data modelling

Regional resilience and the ability to respond effectively to the impacts of climate change remain a high priority for stakeholders. Proposed actions about climate change and data modelling were strongly supported; however, there were concerns about the application of a 'one-size fits all' assessment and the use of 'worst-case scenario' modelling.

The new climate datasets and updated modelling that underpin the South Coast Regional Water Strategy are an important advance on previous climate work as it goes beyond European historical records. We can now assess the likelihood of a range of drought conditions and the impacts on surface water security and reliability over a greater range of climate conditions. It can also provide guidance on the significance and magnitude of floods that have occurred in the past.

Our new climate datasets and modelling provide us and the community with a more sophisticated understanding of past and likely future conditions. We have combined the paleoclimate information with sources of climate data, such as climate change projections, so that natural climate variability can be more easily understood.

Access to information, data and models will allow better planning for the likelihood of wetter and drier periods and risks to future water availability in the region. It will improve our management of water through water sharing plan processes to provide greater certainty in how water is managed during dry periods.

Making this data available in a usable format will be critical for the community, local councils and water utilities, businesses, environmental interests and landholders, to make better decisions regarding water and is a priority for the NSW Government.

The stochastic datasets for rainfall and potential evapotranspiration for a number of NSW regions, including the South Coast, can now be accessed on the SEED environmental data sharing hub¹.

New and existing water infrastructure

During the consultation process we received feedback to reconsider the decision not to include infrastructure options in the strategy, such as increasing the capacity of Brogo Dam and the Brown Mountain Water Project (pumped hydro scheme). Concerns were raised that the options assessment process did not accurately assess the full range of benefits that these options would bring to the region.

Infrastructure options were assessed in accordance with NSW Treasury Guidelines. Under these guidelines the benefits of an option are assessed based on how it changes the outcomes in a 'base' case. The base case is developed by reflecting existing economic activity, physical infrastructure and operating rules. The options were assessed on how they changed the base case for extractive water users, such as improvement in reliability under a variety of scenarios. These changes were quantified in dollar terms so the options could be compared. More detail on the analysis of these projects has now been published in the following reports:

- South Coast Regional Water Strategy Economic basecase
- South Coast Regional Water Strategy-Detailed economic assessment
- South Coast Regional Water Strategy Hydrologic analysis of options

The South Coast Regional Water Strategy does not include options for increasing Brogo Dam or the Brown Mountain Water Project due to the low cost-benefit analysis result. Instead, there are additional analyses being undertaken to quantify the approximate value of various infrastructure options, including those associated with hydropower generation.

It should be noted that the exclusion of an option from the South Coast Regional Water Strategy does not preclude it from being progressed through other funding mechanisms, either public or private.

¹ https://datasets.seed.nsw.gov.au/dataset/water-modelling-stochastic-climate-data

Finalising and implementing the strategy

We acknowledge feedback that the strategy requires a consistent range of factors for determining implementation activities, evaluation and review including involvement of local people. The regional water strategies will be a key tool in seeking funding as future opportunities arise, and funding will be considered in when and how the actions will be implemented.

The Implementation Plan accompanying the South Coast Regional Water Strategy outlines the timing, responsibilities and funding sources of the strategy's actions. It prioritises and sequences the delivery of actions over the 20-year life of the strategy.

The first stage of implementation will focus on preparing for the next drought and setting up frameworks to support resilience within the catchment and across catchments. It will prioritise the health and resilience of towns, the environment, outcomes for Aboriginal people and improving water security for regional industries.

We intend to report annually on the implementation of the regional water strategies to provide transparency and accountability. The strategies will also be reviewed and updated at least every 5 years. This will also allow them to be adaptive and to respond to changing and emerging issues. It will also allow us to improve our approach and help us to overcome governance siloes by integrating a more system-based approach to our strategic planning.





More information:

www.dpie.nsw.gov/regional-water-strategies



