Dams Safety
NSW

NSW GOVERNMENT

Meeting 40

Held on: 29 July 2024 – 9:00am to 3:00pm

Held at: Level 11, Room 10 4PSQ, Parramatta and via Teams

Attended

Members

Mr Paul O'Connor (Chair), Ms Julie Garland McLellan (Deputy Chair), Mr Shane McGrath (online), Mr Ian Landon-Jones, Dr Lisa Caffery (online) and Mr Chris Salkovic (CEO)

Management

Ms Margaret Hynes, Ms Alison Collaros, Mr Jason Porter, Mr Peter Boyd, Mr Richard Nevill.

Invitees (online)

Ms Amanda Jones (Deputy Secretary, Water Group, DCCEEW) for Item 2.1, Ms Beth Overton (Director Water Policy) and Ms Olia Koudrina (Manager Water Policy and Legislation) for Item 2.6, and Mr Andrew Sprague (Impact Advisors) for Item 2.7

Staff Observer

Ms Nami Park (Senior Regulatory Officer)

Secretariat

Ms Claire Hendley

Agenda item discussion and actions

Item 1. Meeting Administration

1.1 Acknowledgement of country

Members acknowledged meeting on the land of the Burramattagal people, a clan of the Dharug, and paid respect to Elders past, present, and emerging. Acknowledgement was also made of the people and their lands on which Dr Caffery and Mr McGrath joined from (the Gayiri and Yorta Yorta people respectively).

1.2 Welcome, apologies and absences

The Chair welcomed attendees.

1.3 Declarations

1.3.1 Declarations of interest and disclosures

No new declarations were made by Members.

1.3.2 Declarations of members' review of papers

Appointed members declared all papers were reviewed.

1.4 Confirmation of agenda and acceptance of items for noting

The agenda was confirmed by appointed members.

Consent items 4.1 – 4.3, 4.5, and 4.7-4.9 for noting were taken as read. Items 4.4 and 4.6 were removed from the consent agenda for discussion.

Action: 20242907- 01: Secretariat to ensure that updates on dams above the safety threshold to be included as a discussion item for future meetings.

1.5 Confirmation of previous minutes

The minutes were taken as read and accepted by appointed members.

1.6 Confirmation of board action items

The action status updates were accepted by appointed members.

Item 2. Strategic matters

2.1 DCCEEW Water Group briefing – Deputy Secretary, Ms Amanda Jones

Ms Amanda Jones, Deputy Secretary, Water Group DCCEEW, presented an overview of items identified in the new DCCEEW strategic plan including the development of an integrated catchment management framework, Regional Water Strategies, water sharing plans, Aboriginal water strategy and adaptation objectives related to a Net Zero future.

Members highlighted key topics and emerging issues such as mapping of links between the range of water strategies and the new DCCEEW strategic plan, expected responses from peak bodies on the proposed levy, the impacts of climate change on different storage bodies, continuing development on floodplains that change safety categories of dams and the impact on dam owners.

2.2 DCCEEW strategic plan

The board paper was taken as read. The cascade from the Department's new strategic plan and the upcoming water group's business plan to the planned refresh of the Dams Safety NSW strategic plan was discussed. Appointed members noted the prominence of climate change adaptation and the addition of the values of courage and collaboration.

2.3 CEO and executive team report on strategic priorities

The appointed members noted that overall implementation of actions outlined in the strategic plan are proceeding according to schedule.

2.4 Changes to strategic environment

The appointed members discussed the upcoming changes in Department reporting line, the timing of the proposed levy for new works, the opportunities to address pumped hydro and potential nuclear facilities in both our legislative review processes and the early stages of the planning process, through Secretary's Environmental Assessment Requirements (SEARs), and the shift by some declared dam owners in engaging with their community on dam safety risk.

2.5 Review of Dams Safety Act 2015

Ms Beth Overton and Ms Olia Koudrina presented an overview on the requirements of the five-year review of legislation, the review process, key areas for consideration, high-level timing and recommendation to delay the remake of the Dams Safety Regulation. Appointed members discussed the opportunities for stakeholder engagement and the potential heightened interest due to the levy process. An engagement and communication plan, incorporating clear messaging was identified as essential for the review process.

Action: 20242907- 02: Secretariat to include an item on the Dams Safety Act review in future meetings and create a list of issues for consideration as part of the review.

2.6 Need for a statement of Ministerial expectations

The issues raised in the paper were noted and the benefits, opportunities and risks of a statement of expectations were discussed. Appointed members agreed that the CEO will reach out to leaders of agencies with a statement of Ministerial expectations for their insights and experiences.

2.7 Strategic plan refresh

Mr Andrew Sprague (Impact Advisors) presented an overview of his experience and the proposed approach for the DSNSW strategic plan refresh. The appointed members discussed the need to consider a staged or adaptive approach considering the timing of the levy process, upcoming Act and Regulation reviews, and their respective engagements. Appointed members noted the information presented in the paper.

Action: 20242907- 03: Management to circulate an early timetable and work program out of session.

2.8 IPART review into dam safety levy

The appointed members noted the issues raised in relation to IPART's review of the dam safety levy and DSNSW's operations and expenditure. Potential negative feedback to staff when interacting with dam owners was discussed and other opportunities for what a 'fee for service' may look like. Appointed members agreed no formal submission would be made from DSNSW to IPART. The Chair and the CEO will attend the IPART public hearing.

Action: 20242907- 04: Chair to raise issues regarding potential responses from peak bodies representing declared dam owners at the next meeting with Deputy Secretary Water DCCEEW.

2.9 Risk Report regulatory project summary

The appointed members noted that since the project inception the rate of risk report submissions has improved. Planned actions were discussed with concerns raised regarding the compliance approach for some dams.

Action: 20242907- 05: Management to prepare a paper for the next meeting to inform members about our non-compliance rating system and illustrate how non-compliance in risk reporting for low-consequence dams is addressed.

2.10 Declaration/revoking of declaration

The appointed members endorsed the recommendation to revoke the declaration for the Atlas Olff-path Tailings dam.

2.11 FY24/25 budget

The appointed members noted in-principle support for the allocation of money which agrees with the previously allocated budget and delegate authority to the Chair to resolve, with the CEO, the wording of recommendations to reflect the enablement needed by the finance team.

Action: 20242907- 06: Chair to resolve the wording of the FY24/25 budget paper's recommendations to reflect the enablement needed by the finance team.

Action: 20242907- 07: Management to circulate out of session the status of financial and non-financial delegations to appointed members and recommend any necessary changes at the next meeting.

2.12 DSNSW's regulatory approach to dams with controlled spillways

The appointed members approved the policy paper on DSNSW's regulatory approach for dams with controlled spillways.

Action: 20242907- 08: Management to circulate the policy paper on DSNSW's regulatory approach for dams with controlled spillways within DCCEEW prior to its public release.

Item 3. Governance matters

3.1 Board Charter annual review

Appointed members approved the principles for review of the DSNSW Board Charter and noted the next steps outlined in the report.

3.2 NSW Audit Office briefing on audit and risk themes

Key themes of audit and risk presented at a recent NSW Audit Office briefing were presented. Appointed members noted the information contained in the report and requested management adjust risk management actions to reflect Audit Office priorities.

Action: 20242907- 09: Management to organise a briefing by the DCCEEW team responsible for information security, focusing on the three cybersecurity risks identified in the NSW Auditor General's report, to provide assurance that these issues are being addressed.

Item 4. Operational matters

4.1 Dams Safety NSW Annual Report schedule and outline

The board paper provided members with an outline of DSNSW's annual reporting requirements for the 2023-2024 financial year and the next steps to develop and publish the report. Appointed members noted the information contained in the paper under Item 1.4.

4.2 Board effectiveness review action plan update

An update on the progress of the board effectiveness review actions was provided in the paper, highlighting significant progress that has been made. Appointed members noted the information contained in the report under Item 1.4.

4.3 Quarterly KPI update (to 30 June 2024)

The strategic KPIs for the last quarter were provided. Appointed members noted concern with the number of audits. The classification of audit types and the attributions to the KPI was discussed.

Action: 20242907- 10: Management to clarify and report back on the audit KPI.

4.4 Dams above safety threshold update

Appointed members discussed overview requirements for the listed dams and the removal of Eraring coal ash dam from the list. Members noted the progress update to reduce risks for declared dams with risks above the safety threshold.

Action: 20242907- 11: For future meetings, management to prepare a concise discussion document on two to three dams identified as exceeding the safety threshold which details measures taken by owners to mitigate risks, including interim measures.

4.5 Bi-annual Strategic Plan progress

The board paper provided a biannual progress update regarding the progress of actions in the strategic plan. Appointed members noted the information contained in the paper under Item 1.4.

4.6 Inaugural use of penalty notices

Appointed members noted the steps taken to encourage compliance with Annual Dam Safety Standard Report submission requirements and the Regulatory Oversight Committee's endorsement of the decision to issue penalty infringement notices to 4 dam owners. Members noted the next steps contained in the paper.

4.7 Operations update

The board paper provided information about operational affairs of DSNSW. Appointed members noted the information contained in the paper under Item 1.4.

4.8 Emergency exercises

The board paper provided information on how DSNSW prepares for a major incident. Appointed members noted the information contained in the paper under Item 1.4.

4.9 Organisational health update

The board paper provided insights into the current state of the agency's organisational health including key WHS indicators and a finance summary. Appointed members noted the information contained in the report under Item 1.4.

Item 5. General business

5.1 Other business

Appointed members acknowledged and thanked Mr Peter Boyd for his contribution to and work with Dams Safety NSW.

5.2 Topics and issues of interest for future agendas

The following topics were identified for future agendas:

- Pumped hydro facilities
- Nuclear power facilities and their water requirements

5.3 Communication priorities

Appointed members discussed the:

- Quarterly meetings with the Deputy Secretary Water (levy)
- Strategy announcement

5.4 Meeting evaluation

Mr Ian Landon Jones provided an evaluation of the meeting.

Item 6. Appointed member – in camera

6.1 CEO performance review

Appointed members reviewed the CEO's self-reflections. They shared their perspectives on the CEO's performance, impact and outcomes across the agency and DCCEEW more broadly. The Chair will discuss these matters with the CEO, document the performance outcomes and liaise with the Deputy Secretary of the DCCEEW Water Group, the CEO's new line manager from 8 August 2024.

Item 7. Next meeting

7.1 Next meeting 1-2 October 2024

The next meeting is scheduled for 1-2 October 2024. The meeting will be held on 1 October in Parramatta, NSW and a site visit in the Sydney area will be held on 2 October.

Item 8. Meeting close

The meeting closed at 3:00pm.