



Water Management Act 2000 Section 10 Review
Method

FINAL

9 July 2021

alluvium



Alluvium recognises and acknowledges the unique relationship and deep connection to Country shared by Aboriginal and Torres Strait Islander people, as First Peoples and Traditional Owners of Australia. We pay our respects to their Cultures, Country and Elders past and present.

Artwork by Vicki Golding. This piece was commissioned by Alluvium and has told our story of water across Country, from catchment to coast, with people from all cultures learning, understanding, sharing stories, walking to and talking at the meeting places as one nation.

Disclaimer:

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1 Introduction

This document provides a method for the review of the work and activities of the Department under the requirements of s.10 of the *Water Management Act 2000 (NSW)* (the *Act*). It is designed to be a user guide for NSW public servants or contractors responsible for the s.10 Review(s).

The method has been designed to be enduring, to provide clarity and consistency across reviews, and to be able to be applied to any s.10 Review. The design ensures consistency in the method and criteria applied, allowing each review to be conducted in a consistent manner. The design also seeks to promote a “generate once; use multiple times” principle and tap into existing reporting processes.

While designed to be enduring, the method should be reviewed and revised to adapt to experience and learning in its implementation.

2 Requirements of the review

Under s.10 (1) of the *Act*, the Minister is required to review the work and activities of the Department at intervals of not more than five years. The review is required to:

“ensure that the work and activities of the Department... have been effective in giving effect to the water management principles of this Act and the State Water Management Outcomes Plan.” (the *Act*, s.10 (1)).

The results of each review under this section are to be included in the relevant annual report for the Department (s.10(2)). This section provides an overview of the requirements for the review, and the current status and approach to these components.

2.1 The Department

The Department means the Department of Planning, Industry and Environment (DPIE), as it is the body specified in Column 1 of Schedule 3 to the *Public Finance and Audit Act 1983*. This listing superseded the *Act*'s original reference to the Department of Industry, Skills and Regional Development.

For the purposes of reporting, the Department is also taken to mean the statutory agencies with delegated responsibility for implementation of the *Act*, including WaterNSW, the Natural Resources Access Regulator (NRAR), the Natural Resources Commission (NRC), the Independent Pricing and Regulatory Tribunal (IPART), and the Water Administration Ministerial Council (WAMC).

For this review method, the Department has been interpreted to include all the agencies that invest resources in pursuit of the objects and principles of the *Act*. This includes DPIE-Water, WaterNSW, NRAR and NRC. References to the Department refer to all agencies with obligations under the *Act*, while DPIE-Water refers only to the Water group within DPIE. In addition, DPIE Environment, Energy and Science (Biodiversity, Conservation and Science) (DPIE EES (BCS)) has responsibilities as the environmental water manager under some water sharing plans.

There are a number of other agencies whose functions or obligations are specified in the *Act* (Table 1). With the exception of WaterNSW, who have a central role in implementation of the *Act*, the work and activities of listed agencies are excluded from the review as those agencies are not within the definition or control of the department.

Table 1. List of the major irrigation corporations and utilities referred to in the Water Management Act (2000).

Type	Agency
Irrigation Corporations	• Jemalong Irrigation Limited
	• Western Murray Irrigation Limited
Major Utilities	• AGL Macquarie Pty Limited
	• Delta Electricity
	• Energy Australia NSW Pty Ltd
	• Eraring Energy
	• Murray Irrigation Corporation
	• Murrumbidgee Irrigation Corporation
	• Hunter Water Corporation
	• Sydney Water Corporation
	• WaterNSW

2.2 Work and activities

Work and activities is any deed, action or effort directed toward the achievement of the *Act*'s objects (s.3) and principles (s.5). For the purpose of this method, work and activities can be interpreted as the functions the Department.

Note, the “works” of the Department are different to the work and activities. The term “works” has been defined in Section 2.6.

2.3 Water management principles of the Act

The principles are described in Section 5 of the Act. They comprise:

“(2) Generally

- a) water sources, floodplains, and dependent ecosystems (including groundwater and wetlands) should be protected and restored and, where possible, land should not be degraded, and*
- b) habitats, animals, and plants that benefit from water or are potentially affected by managed activities should be protected and (in the case of habitats) restored, and*
- c) the water quality of all water sources should be protected and, wherever possible, enhanced, and*
- d) the cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, should be considered and minimised, and*
- e) geographical and other features of Aboriginal significance should be protected, and*
- f) geographical and other features of major cultural, heritage or spiritual significance should be protected, and*
- g) the social and economic benefits to the community should be maximised, and*
- h) the principles of adaptive management should be applied, which should be responsive to monitoring and improvements in understanding of ecological water requirements.*

(3) In relation to water sharing

- a) sharing of water from a water source must protect the water source and its dependent ecosystems, and*
- b) sharing of water from a water source must protect basic landholder rights, and*
- c) sharing or extraction of water under any other right must not prejudice the principles set out in paragraphs (a) and (b).*

(4) In relation to water use

- a) water use should avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land should be rehabilitated, and*
- b) water use should be consistent with the maintenance of productivity of land in the long term and should maximise the social and economic benefits to the community, and*
- c) the impacts of water use on other water users should be avoided or minimised.*

(5) In relation to drainage management

- a) drainage activities should avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land should be rehabilitated, and*
- b) the impacts of drainage activities on other water users should be avoided or minimised.*

(6) In relation to floodplain management

- a) floodplain management must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated, and*
- b) the impact of flood works on other water users should be avoided or minimised, and*
- c) the existing and future risk to human life and property arising from occupation of floodplains must be minimised.*

(7) In relation to controlled activities

- a) the carrying out of controlled activities must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated, and*
- b) the impacts of the carrying out of controlled activities on other water users must be avoided or minimised.*

(8) *In relation to aquifer interference activities*

- a) *the carrying out of aquifer interference activities must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated, and*
- b) *the impacts of the carrying out of aquifer interference activities on other water users must be avoided or minimised.”*

2.4 State Water Management Outcomes Plan

The State Water Management Outcomes Plan was gazetted in 2002 and applied for five years. As it has expired and has not been reviewed or updated, it will not be considered further in the development or application of the review method.

2.5 Annual report

An annual report is prepared by the Department in accordance with the Annual Reports (Departments) Regulation (2015), which is made under the *Annual Reports (Departments) Act 1985*. This regulation makes provision for the content and form of the annual reports of government departments and, in particular, the report of operations that forms part of those annual reports. The main areas of overlap between the *Act* requirements for the review and Schedule 1 of the Annual Reports (Departments) Regulation (2015) are:

- Aims and Objectives
- Summary review of operations
- Management and activities
- Research and development
- Consultants
- Risk management and insurance activities

Annual reports are published on Department website(s), but the exact webpages are subject to change.

2.6 Other definitions and interpretations

This review method uses a variety of definitions that will affect the interpretation and application of the method. Some of these terms are defined by the *Act* but in other cases we have identified appropriate definitions from the sources referenced in the footnotes.

Activities means any specific deed, action or pursuit.¹

Action is something done, such as an act or deed.¹ Within the context of this method it will be used to describe acts undertaken in accordance with or to further the achievement of the *Act*'s objects and principles.

Approval means a water use approval, a water management work approval or an activity approval.

Aquifer interference activity means an activity involving any of the following—

- (a) the penetration of an aquifer,
- (b) the interference with water in an aquifer,
- (c) the obstruction of the flow of water in an aquifer,
- (d) the taking of water from an aquifer while carrying out mining, or any other activity prescribed by the regulations,
- (e) the disposal of water taken from an aquifer as referred to in paragraph (d).

Controlled activity means—

¹ Collins English Dictionary – Complete and Unabridged, 12th Edition (2014)

- (a) the erection of a building or the carrying out of a work (within the meaning of the Environmental Planning and Assessment Act 1979), or
- (b) the removal of material (whether extractive material) or vegetation from land, whether by way of excavation or otherwise, or
- (c) the deposition of material (whether extractive material) on land, whether by way of landfill operations or otherwise, or
- (d) the carrying out of any other activity that affects the quantity or flow of water in a water source.

Decision is, in an estimate of the situation, a clear and concise statement of the line of action intended to be followed by the commander as the one most favourable to the successful accomplishment of the assigned mission.² Within the context of this method, commander is a synonym for anyone with an appropriate delegation to decide on which action to pursue.

Discretionary decision is a decision made using judgment and reason, by someone who has been granted discretionary powers. Discretionary powers do not impose a duty on the decision-maker to exercise them at all, or to exercise them in a particular way. They are permissive rather than mandatory.³

Drainage works means a water management work (such as a pump, pipe, or channel) for the purpose of draining water from land, including a reticulated system of such works, and includes all associated pipes, sluices, sluice-gates, valves, metering equipment and other equipment, but does not include—

- (a) any sewerage work, or
- (b) any work declared by the regulations not to be a drainage work.

Effective is defined as productive - or capable of producing a result.¹

Flood work means a water management work (such as a barrage, causeway, cutting or embankment)—

- (a) that is situated—
 - (i) in or in the vicinity of a river, estuary or lake, or
 - (ii) within a floodplain, and
- (b) that is of such a size or configuration that, regardless of the purpose for which it is constructed or used, it is likely to have an effect on—
 - (i) the flow of water to or from a river, estuary or lake, or
 - (ii) the distribution or flow of floodwater in times of flood,

and includes all associated pipes, valves, metering equipment and other equipment, but does not include any work declared by the regulations not to be a flood work.

Function is the natural action or intended purpose of a person or thing in a specific role.¹ Functions of the Department are summarised in **Attachment 1**.

Implementation is providing a practical means for accomplishing something. Within the context of this method, implementation will be taken to mean steps required to put the Act's requirements into effect.

Licences means Water Access Licences as provided for in the Act.

Planning is the process of deciding in detail how to do something before actually starting to do it.¹ Within the context of the Act and this report it will be considered to include any activity that seeks to chart an improved way of achieving the objects and principles of the Act. Note however, that the Act also provides for more specific statutory plans (subordinate legislation), such as water sharing plans, floodplain management plans and other plans).

Principles are the water management principles of the Act (s.5)

² Dictionary of Military and Associated Terms

³ NSW Ombudsman (2017) Good conduct and administrative practice guidelines: Guidelines for state and local government, 3rd Edition

Procedures are standard, detailed steps that prescribe how to perform specific tasks.²

Regulations are principles, rules, or laws designed to control or govern conduct.⁴ Regulations are subordinate legislation made by the responsible Minister exercising a head of power in the legislation (the Act).

Statutory Plans means specific statutory plans (subordinate legislation), such as water sharing plans, floodplain management plans and other plans) as provided for in the Act.

Water management work means a water supply work, a drainage work or a flood work.

Water supply work means a water pump or water bore used for taking water, or infrastructure or earthworks to capture, store, convey, reticulate or divert water excluding those managed by Sydney Water Corporation, the Hunter Water Corporation or a local water utility.⁵

Water supply work approvals authorise their holders to construct and use specified water supply works at specified locations.

Water source means the whole or any part of—

(a) one or more rivers, lakes or estuaries, or

(b) one or more places where water occurs on or below the surface of the ground (including overland flow water flowing over or lying there for the time being), and includes the coastal waters of the State.⁶

Works are identified as engineering structures, such as bridges, levees or dams⁴ designed to achieve the objects and principles of the Act or that require approval under the Act.

Works Approvals is used as a collective term for various specific water management work approvals required by the Act (e.g. water supply work approvals, flood work approvals).

⁴ American Heritage® Dictionary of the English Language, 5th Edition (a narrower definition is used here than is provided in the Act)

⁵ A summary of the definition in the Act

⁶Water Management Act 2000 – Dictionary

3 Conceptual framework for the s.10 review

3.1 Legislative context to review method approach

In response to the increasing scarcity of water, the National Water Initiative (NWI) established a suite of principles for the management of the Australia's water resources. It was anticipated that these principles would resolve issues such as overallocation, increasing demand, decreasing and less certain supplies in some areas due to climate change, and poor pricing approaches. In 1999, the NSW Department of Land and Water Conservation released a White Paper that identified a range of issues with the existing legislation including uncertainty in the definition of water rights, entitlements, and water security.

In 2000, the *Act* was enacted to provide for the sustainable and integrated management of NSW water resources through Water Sharing Plans and other instruments. Among the key guidelines of the NWI included in the *Act* are:

- All water plans should have a statutory base
- All water plans should include a clear water budget
- Water planning processes should consider all forms of water use
- Monitoring is essential
- Surface and groundwater should be managed in an integrated manner
- Indigenous water needs should be recognised
- Rights of existing uses and users should be recognised
- All water access rights should be clearly defined
- All decision making should be transparent and explicit
- Stakeholders should be engaged throughout the planning process
- Consider other relevant plans
- Use knowledge-based decision making
- Apply a risk-based approach.

3.2 Key elements of the conceptual framework

Objects of the Act

In common with most modern legislation, the *Act* sets out its Objects (s.3), that is, what the legislation is seeking to achieve. The Objects are an important reference point for clarifying the intent of all parts of the *Act* and would likely be referenced if a court were making a determination about actions and decisions under the *Act*. The objects of the *Act* are:

“...to provide for the sustainable and integrated management of the water sources of the State for the benefit of both present and future generations and, in particular—

- a) to apply the principles of ecologically sustainable development, and*
- b) to protect, enhance and restore water sources, their associated ecosystems, ecological processes and biological diversity and their water quality, and*
- c) to recognise and foster the significant social and economic benefits to the State that result from the sustainable and efficient use of water, including—*
 - (i) benefits to the environment, and*
 - (ii) benefits to urban communities, agriculture, fisheries, industry, and recreation, and*
 - (iii) benefits to culture and heritage, and*
 - (iv) benefits to the Aboriginal people in relation to their spiritual, social, customary, and economic use of land and water,*
- d) to recognise the role of the community, as a partner with government, in resolving issues relating to the management of water sources,*
- e) to provide for the orderly, efficient, and equitable sharing of water from water sources, to integrate the management of water sources with the management of other aspects of the environment, including the land, its soil, its native vegetation, and its native fauna,*

- f) *to encourage the sharing of responsibility for the sustainable and efficient use of water between the Government and water users,*
- g) *to encourage best practice in the management and use of water."*

Principles of water management

In addition, the *Act* provides Water Management Principles (see Section 2.3). Importantly, the *Act* requires (s.9(1)):

"It is the duty of all persons exercising functions under this Act:

- a) *to take all reasonable steps to do so in accordance with, and to promote, the water management principles of this Act, and*
- b) *as between the principles for water sharing set out in section 5 (3), to give priority to those principles in the order in which they are set out in that subsection".*

General water management principles are provided (s.5(2)), which focus on (in summary):

- protection of water dependent ecosystems,
- protection of water quality,
- protection of Aboriginal and culturally significant items, features etc,
- maximising social and economic benefits and
- application of adaptive management.

The *Act* also provides more specific principles in relation to:

- Water sharing (s.5(3))
- Water use (s.5(4))
- Drainage management (s.5(5))
- Floodplain management (s.5(6))
- Controlled activities (s.5(7)), and
- Aquifer interference activities (s.5(8)).

Section 9 of the *Act* requires that all persons exercising functions under the *Act* are required to promote the Principles in the priority order in which they are published in the *Act*. Many other parts of the *Act* (e.g., water planning, implementation and review requirements) refer back to the water management principles in s.5. It is also worth noting that the Natural Resources Commission, other recent reviews, and the report of the Independent Commission Against Corruption have also noted the relevance and centrality of the Objects and Principles of the *Act*.

Responsibility for implementation of the *Act* resides with three government institutions:

- DPIE-Water (DPIE-W)
- WaterNSW
- Natural Resource Access Regulator

In addition, the Natural Resources Commission, ICAC, IPART and MCA have roles in adaptive management, compliance, regulation and works, respectively. DPIE - EES and the Minister for the Environment also have roles through concurrence requirements for water management plans and the environmental water manager function in water sharing plan implementation.

A logical framework for the relationship between the objects and principles

There are several ways that the relationships between the Objects and Principles can be described. Figure 1 presents a logic framework in which environmental, cultural, social and economic benefits are nested within sustainability principles and protecting and restoring water sources and dependent ecosystems. There are five objects (s.3 (d) to (h)) and one principle (s.5 (2h) Adaptive Management) that represent the way that the objects

and principles will be achieved. The principles for water sharing (s.5(3)) provide specific direction to water sharing, requiring (in summary, paraphrased):

- first protect water source and dependent ecosystems, and
- protect basic landholder rights (stock and domestic, native title, harvestable rights), and
- that these must not be prejudiced by sharing under any other right (e.g., water access licences).

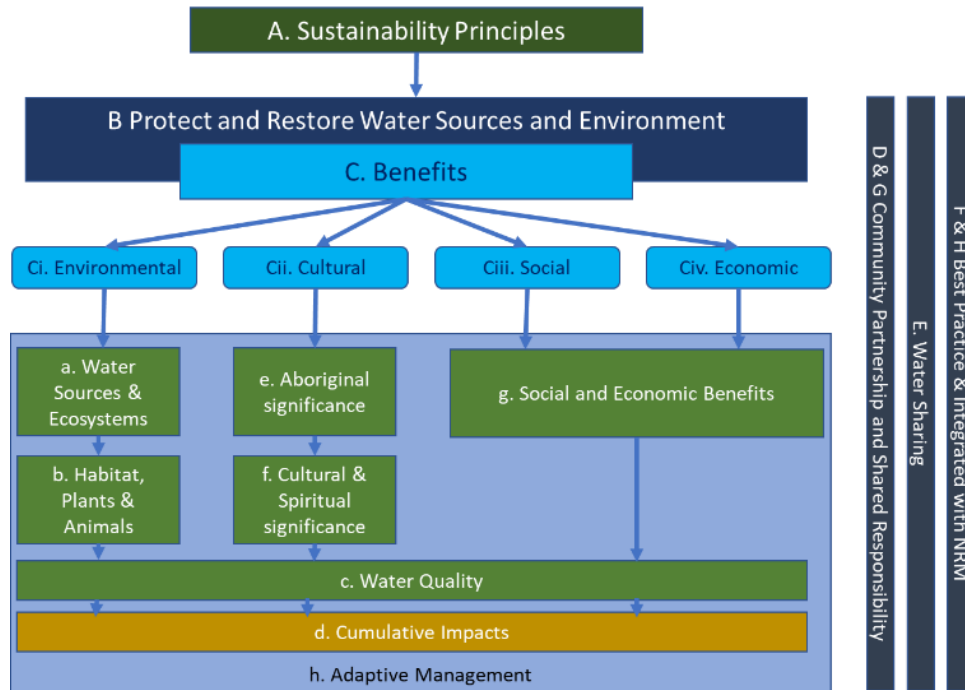


Figure 1. A logical representation of the Objects and Principles of the Act with capital letters referring to Objects and lower-case letters referring to Principles. Cumulative Impacts are coloured orange because, in line with the NWI, they represent a risk to sustainable management while the other areas represent values to be sustained.

A nested functional representation of the principles

The second representation (Figure 2) of the principles illustrates the relationships within a management framework in which consideration of cumulative risks and social and economic benefits need to be considered within the context of their impact on Cultural values, and they in turn need to be considered within the context of water rights and then environmental values. Again, Adaptive Management provides a framework for continuous improvement for all activities.

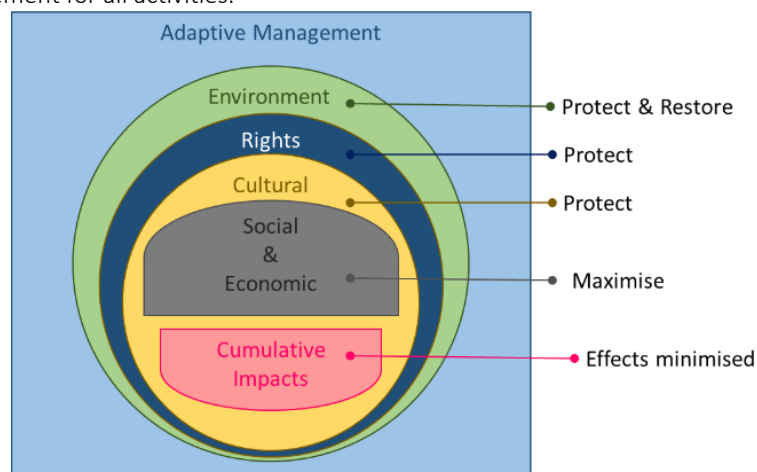


Figure 2. Function representation of the Act's Principles. Cumulative Impacts are coloured pink because, in line with the NWI, they represent a risk to sustainable management while the other rings represent values to be sustained.

Action happens as a result of decision-making processes that consider the principles

Meeting the s.10 reporting requirements requires accessing and synthesising information at several levels of implementation of the Act (see Figure 3 and Table 2). At the highest level is the Act and the principles. Below that are the (strategic) level policies, strategies and the Plans whose review and adaptation are specified in the legislation. At the next level down are the implementation and regulation functions undertaken by each agency. A summary of these is provided in **Attachment 1**. These functions, along with planning and policies, enable procedures and processes. The procedures and processes inform the decisions and actions at the finest scale that include decisions around Water Rights, Licences and Approvals. The approach to reporting will need to consider the nature of these functions at multiple levels, the processes and resources required to generate the requisite information in an efficient and effective manner. While the diagram in Figure 3 is primarily framed around statutory decisions (making of statutory plans, determining trade, licence or work approval applications etc), it also encompasses discretionary planning frameworks and decisions that are part of implementing the Act and/or achieving the Objects and Principles of the Act.

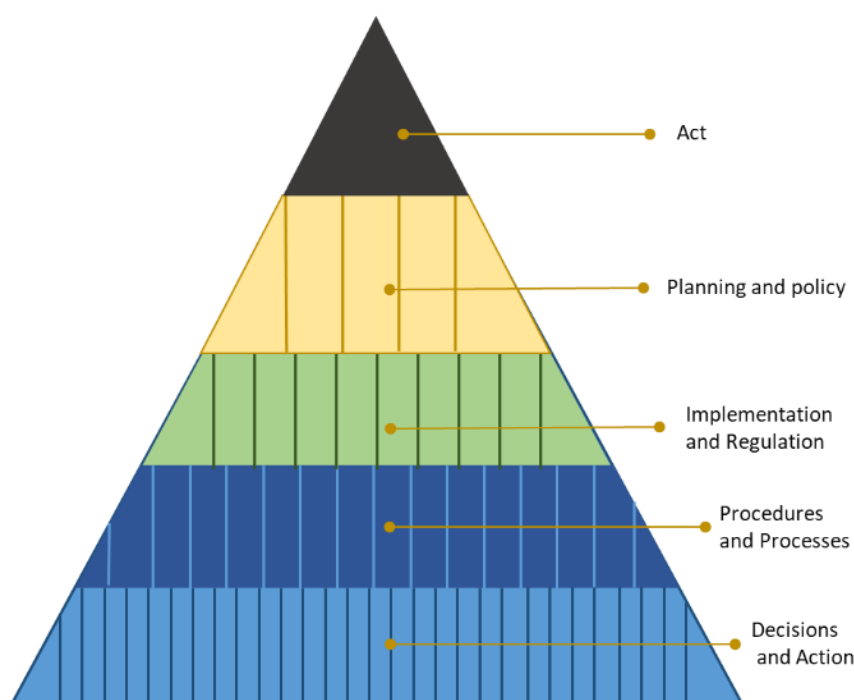


Figure 3. Relationship between Legislative Instruments (e.g. Statutory Plans) and decisions or actions. Definitions of the terms are provided in **Table 2**. The relationship helps inform the scope of the review and the type of data that might be needed or available to assess each level. If decisions and actions are tightly controlled by the Statutory Plan obligations, via compliance and via project management and impact is achieved through the Plan, then the review can be based on the Statutory Plan. However, if there is flexibility in decisions and actions and the impact is driven by the cumulative impact of decisions then the review needs to include decisions and actions.

Table 2. Definitions of the key terms used in Figure 3.

Level in the hierarchy	Description
Act	The Act includes objects, principles and specifications for management plans and regulations
Planning and policy	Planning in this context refers to development of statutory Plans, policy development, strategy development, but not operational planning.
Implementation and regulation	Implementation is defined here as ensuring functions and processes are in place to support the Act. Regulations are the rules to govern conduct. For example the rules by which water usage may be converted to floodplain harvesting access licences.

Level in the hierarchy	Description
Procedures and processes	Application is the implementation of the regulations and processes in the conduct of water management in NSW. For example, processes for approving floodplain development or protecting water rights.
Decisions and action	Decisions are the decisions on issues such as licence applications undertaken within the context of the functions and processes established under the Act. Works are activities designed to: <ul style="list-style-type: none"> • protect or restore water sources • Improve water delivery • Protect or restore environmental values • Private works to improve social and economic outcomes
Adaptive management	Improving management effectiveness by using interventions to reduce uncertainty and maintain a cycle of continuous improvement. For example water shepherding in the northern MDB and responses to fish deaths.

There are several challenges implementing adaptive management under the Act . One challenge is that the Act, Principles and Plans provide a foundation for sustainable management, while the risks are often distributed across multiple projects or decisions and risks only become apparent when the aggregate effects of all the decisions are considered. This characteristic is acknowledged in ‘Principle (d)’ of the Act⁷. Transparency is therefore important to ensure that all decisions are taken with due consideration of the Objects and Principles of the Act. A second issue is that the Act specifies a suite of audits and reviews, however there is no clear obligation to feed identified and recommended improvements from these audits and reviews into ongoing adaptive management, Statutory Plan amendment and implementation.

⁷ Principle (d) “the cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, should be considered and minimised”

4 Review governance

Governance arrangements are designed to achieve three broad objectives:

- To oversee the appropriate and efficient delivery of the Review
- Guide the planning of the review process to ensure it aligns with *Act* requirements and Ministerial priorities, and
- To facilitate access to information and data to support the Review.

Within this context four groups will be responsible for review governance:

- **Review team.** The review team will implement the Review method, including planning, accessing data and information, reviewing content, summarising findings and drafting reports
- **Working group.** The working group will support the Review Team in identifying sources of information, facilitating access, undertake planning, support risk management, and help draft reports
- **Steering committee.** The steering committee will provide linkages to leadership both within DPIE Water but also agencies who collaborate with DPIE Water, including NRAR, WaterNSW, NRC, DPIE EES and WAMC. There may be other agencies who need to be engaged in the review process (e.g. EPA), and the Steering Committee will play a role in planning and facilitating this engagement.
- **Review Panel.** The panel will review the outputs from each Step and provide input to the planning of the next steps. At Step 7 they will identify the key findings and develop recommendations. The Reporting Review Steering Committee will nominate members, including from among their own membership, based on the skills required and the level of independence desired.

A nominated Executive Director of DPIE Water will be responsible for final decisions on review scope, content, findings, recommendations, taking advice from the Steering Committee and Review Panel.

The scope of tasks will vary based on the stage of the review (see Table 3Table 3).

Table 3. Overview of the roles of the Review Team, Working Group and Review Steering Committee in the implementation of the review process.

	Review team	Working group	Steering committee	Review Panel
Ongoing work	Collect and collate information Manage data	Identify activities, contacts and sources	Identify priorities and contextual changes	None
Planning the review	Review and summarise context and collated material. Develop Work Plan	Support and inform planning. Provide feedback on Work Plan	Approval of work plan Strategic direction and high-level prioritisation	None
Doing the review	Review information and develop summaries. Make assessments of consideration of the Principles. Organise and support the engagement process	Identify risks and opportunities and how to manage them. Provide feedback on assessments. Help craft the draft findings. Use network to identify information sources to address gaps	Approval of review Direction on priorities, allocation of resources and risks Provide feedback on assessments. Engage in development of key findings and recommendations. Identify objectives and scope of engagement process. Facilitate engagement through their network	Panel will be briefed on progress to ensure they understand context when undertaking review. Distilling findings and recommendations
Acting on the review	Prepare review for inclusion in Annual Report. Prepare any supporting material for publication. Engage working group and steering committee in defining roles and responsibilities for implementation Manage engagement around recommendations and their implementation.	Review draft content for Annual Report Identify people to engage in development of findings and recommendations.	Final recommendations for approval of report content by nominated Executive Director of DPIE Water. Support engagement around recommendations and their implementation.	To be determined

5 Review method

The purpose of the review is to determine whether the work and activities of the Department have given effect to the water management principles of the Act. The section 10 report is one of a suite of audit and review processes included in the *Act* designed to both support adaptive management (Principle g) and identify risks around implementation, such as those investigated by ICAC (ICAC 2020). The Section 10 report provides an opportunity to synthesise the available information to provide an overview of implementation progress, risks, and areas of potential improvement.

There are a variety of risks associated with implementation. These risks include parts of the Act (including subordinate legislation, such as the Regulations and Statutory Plans) are not implemented and parts of Statutory Plans do not reflect the Act's requirements. The Act also refers to risks associated with the cumulative impacts of many small decisions concerning works or licences. The report method needs to ensure that it reviews the information to support evaluation of these risks. It is acknowledged that there will be some areas where information is not available, however, the method is designed to be iterative to allow ongoing improvements.

5.1 Method requirements

The efficient production of a report is dependent on the effort required to access information. The most effective way of accessing information is to embed the accumulation of information into existing processes so that the information is collected over the reporting period as a routine part of the work and activities of the Department and curated to ensure it is accessible to anyone who may have a role in the report development. We would recommend the following infrastructure and processes to facilitate the report and a “generate once; use multiple times” approach.

Development of an effective and efficient method starts with a foundation provided by existing and current functions and processes. It is envisaged that efficiency will be improved over time through the progressive incorporation of the s.10 reporting requirements into Business as Usual (BaU). Implementation of this method will identify areas where this already occurs, but also key areas where key data and information is inaccessible. A review of these areas will identify the changes required to ensure that the next report can be undertaken more efficiently.

Document repository

The early development of a document repository will enable documents to be filed appropriately as they are published and provide the source material for the review as well as an ongoing source of information to support other reporting and communication processes. It will be important for accessibility that the file structure be developed collaboratively and that it aligns with the planned structure of the report. Ideally, the repository would be searchable by title, author, and key word, however, this functionality can be achieved through the addition of Tags or keywords to document properties. Once again, a list of Tags or key words should be developed collaboratively to facilitate access to documents. NSW Government guidelines for record keeping should be followed.

Reference Database

The Department currently uses Content Manager 9 (CM9) as its electronic and records management system. While CM9 supports record management, it is not the most suitable tool for undertaking reviews and evaluations. For the review team, having access to a tool built to support reviews will improve their efficiency and help manage risks around staff turn-over. There are several commercially available reference management software packages (the Department currently supports EndNote). EndNote allows attachment of the pdf to the document entry which would mean the App could become the repository. The advantage of these Apps is that they enable rapid searching and collation of individual reports into groups so the one document can be found in several locations. They also enable an abstract and notes to be stored along with the document. This facilitates rapid access to the information, synthesis and integration.

Abstracts

Most reports include an Executive Summary which provides an overview of the key messages. It is recommended that the Department require all reports to provide both a standard Executive Summary but also a

longer version that specifies the inclusion of how the project (or Statutory Plan, function or activity) contributed to the Principles of the Act. In some instances, this will require additional technical information. At a minimum, the summary should provide an explanation of the how management is expected to achieve impact (Theory of Change), risks posed to the Principles and how these are managed. Ensuring that this information is summarised will enhance the efficiency of the reporting process.

The requirement to provide a summary explanation of how the project (or Statutory Plan, function or activity) contributed to the Principles of the Act, can be incorporated into procedures, manuals, protocols, business processes and report publication requirements. The development of guidance and potentially templates for abstracts should be based on the evaluation of the first review. This will ensure that specific feedback can be provided to sections and there can be discussion of the best ways to provide the required information.

Links to Existing Reporting Processes

We recommend that someone be allocated the role of building links with key Departmental sections, such as the Communications Team, Library Services and/or the Knowledge Coordination Team, and that they are included in the circulation of all reports that those sections produce as they are finalised. This role should also provide training on the minimum requirements in reports to cover off on s.10, which will help enable the “generate once; use multiple times” approach to the review. The Water Programs and WAMC Teams will be important as will WaterNSW, NRAR, NRC, DPIE EES, and IPART. Upon receipt of a document, the responsible staff member will lodge it in the repository and/or reference data base. There will always be risks that documents would slip through the net and this will need to be balanced against gathering documents of marginal value however, this risk can be managed by developing a clear search strategy and then:

- keeping an eye on the Departmental web site and media communications.
- Develop a schedule of reporting obligations. This would have the added advantage of providing the content for the Timeline described in Step 1 (below).
- Creating a list of key words and selection criteria then undertaking a periodic search of CM9 for relevant documents.

The requirement to provide a summary explanation of how the project (or Statutory Plan, function or activity) contributed to the Principles of the Act, can be incorporated into procedures, manuals, protocols, business processes and report publication requirements.

5.2 Method steps

The potential scope of the review is large and dispersed which raises the risk that information may be difficult to access. To address this issue, the method has been designed as a series of steps where the outcomes of one step support planning of subsequent steps (Figure 4).

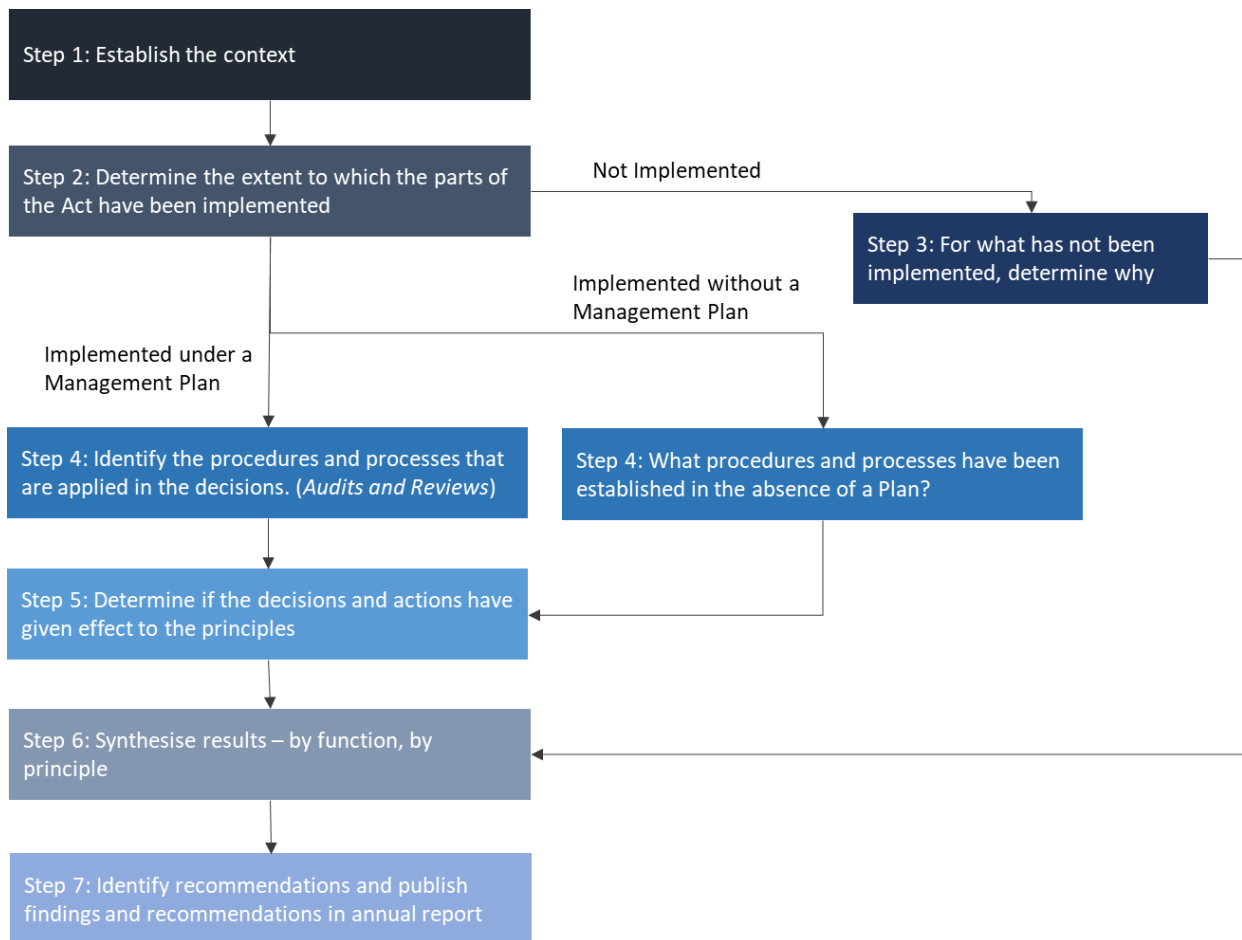


Figure 4. Overview of steps in the s.10 Review.

Figure 5 provides an overview of the scope of each step. The planning will use elements of procedural assurance to triage areas of activity according to the risk that Principles have not been considered and the potential impact this may have on achieving the objects of the Act. This will ensure that resources can be allocated to priority areas where information sources are known and confirmed. The evaluations undertaken through this iterative planning process can also generate content for the report as planning will be based on perceptions of risk, management processes and information availability. It is worth noting that the report will also need to include reference to areas of success and impact, but these can also be identified through the triage process.

Table 4 provides a summary of the steps to be undertaken and the data sources we envisage will be used in the first implementation of the method. It is clear that the functions of the large and diverse Department are dispersed across a range of activities, reports and evaluations. The method, is however, designed to be improved through time. When the s.10 report is completed it will be possible to:

- Identify potential streamlining of Departmental evaluation and reporting processes.
- Identify changes needed to incorporate reporting obligations into BaU.
- Ensure that information aligns with the requirements of s.9 and s.10 of the Act.
- Improve management and access to key sources of information.

As a consequence of these improvements, the sources of information in Table 4 may need to be updated.

The review steps are described in further detail in **Attachment 2**.

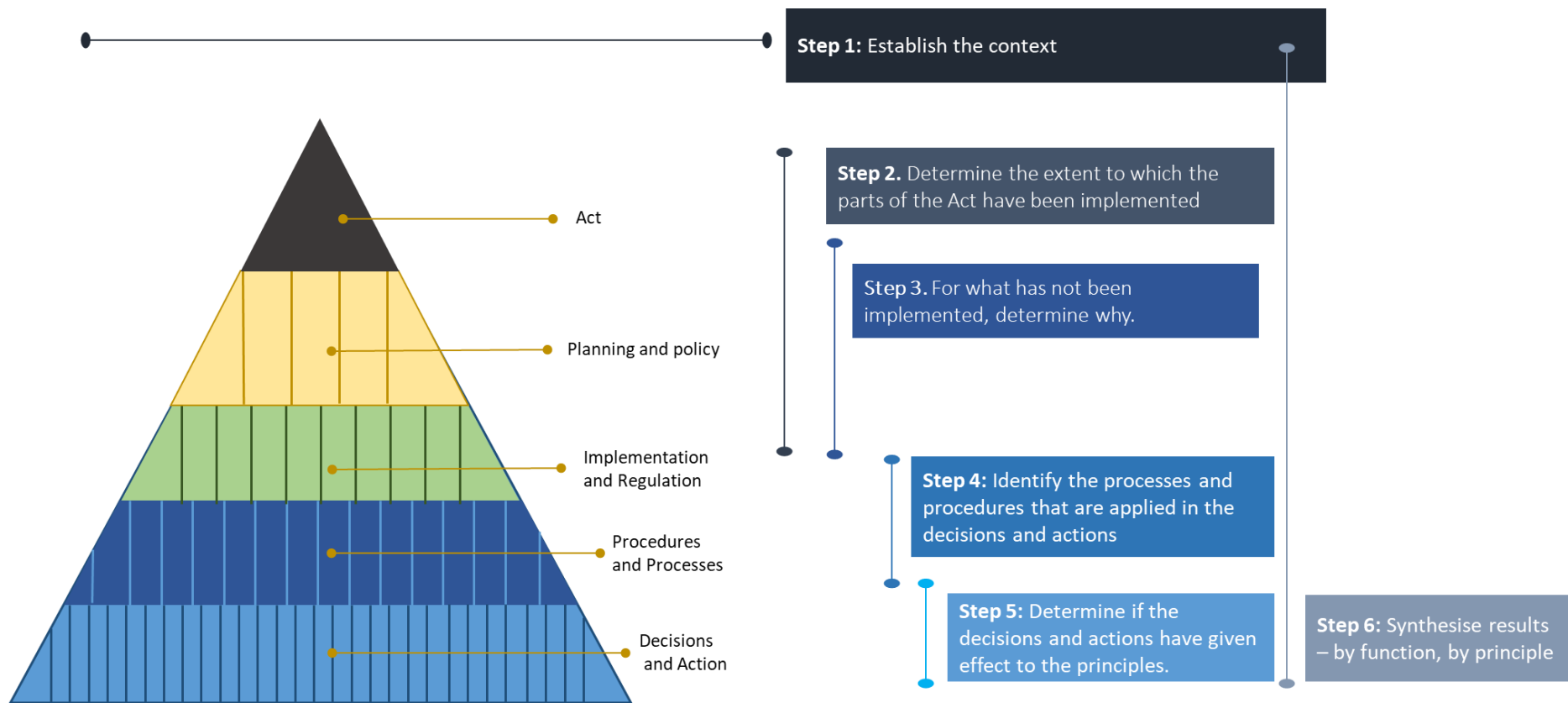


Figure 5. Pyramid diagram illustrating the scope (lines with oval ends) of each of the Steps in the Method.

Table 4. Summary of steps, data and information sources (for the first review) to inform the review. As part of the s.10 review(s), the following documentation and data will be required or useful. Refer to Attachment 2 for the review method steps in detail.

Step	Rationale	Activities	Evidence
<p>Step 1: Establish the context</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> Legislation Departmental Roles Priorities Roles and Responsibilities Risk 	<p>Step 1 will allow an understanding of what events have potentially influenced the Department’s ability to give effect to the water management principles. The step will help understand what has happened and changed in the five-year period of review that might influence:</p> <ul style="list-style-type: none"> the review approach, the data sources, the scope of functions of the Department, and the water management outcomes. 	<ol style="list-style-type: none"> Gather contextual information. Map to timeline Identify dependencies and relationships between events. Seek input from Department on implications of changes. Identify if context assessment triggers a need to amend the approach to the review. Plan the next step. 	<p>Parliamentary records; Machinery of Government records; Departmental documentation; Departmental risk assessments (e.g. critical drought status declarations under extreme events policy)</p>
<p>Step 2: Determine the extent to which the parts of the Act have been implemented.</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> Plans Provisions Procedures 	<p>This step will support planning and prioritisation of the reporting process. It will identify the parts of the Act that will be included in Step 3, and those to be considered in Step 4, as well as the main areas of activity for the Department. There are likely to be two broad categories identified:</p> <ol style="list-style-type: none"> Areas where Plans have been implemented which are more likely to have audits and reviews to provide evidence of implementation (applying the “generate once; use multiple times” principle). Areas where Plans have not been implemented but the Department has continued to make decisions, for example Drainage where decision are made based on existing policy and processes 	<ol style="list-style-type: none"> List relevant parts of the Act Identify sources of information on implementation. Collate information and draft a prioritised catalogue. Seek feedback from within Department Finalise catalogue. Planning steps 3 & 4 	<p><u>Plans, Audits, Reviews, Regulations</u> Management Plans stored at: https://legislation.nsw.gov.au/</p> <p>Implementation program for management plans; implementation theme plans will map where documented implementation processes are stored, and the water management database will aim to track the status of implementation.</p> <hr/> <p><u>Development, Planning documents</u> Documentation that supported the creation or amendment of a plan or activity. Background documents for individual plans WSP social and economic profiles Plan specific studies (environmental, economic, rule reviews)</p> <hr/> <p><u>Reports</u> Available on websites: The Department, Water NSW, NRAR</p>
<p>Step 3: For what has not been implemented, determine why.</p>	<p>Delays in Act implementation slow down application of the principles and represents a reputational risk to the Department. Step 3 seeks to understand why implementation has not been</p>	<ol style="list-style-type: none"> Gather relevant evidence Review Department structure 	<p><u>Audit:</u> <u>Natural Resources Commission</u> https://www.nrc.nsw.gov.au/wsp-audits</p>

Step	Rationale	Activities	Evidence
<p><u>Scope:</u></p> <ul style="list-style-type: none"> Statutory Plans Provisions Regulations Orders Procedures 	<p>undertaken or has been delayed. This can inform adaptive management to ensure implementation can proceed. The scope of Step 3 is the Plans, their provisions and associated regulations identified in Step 2.</p> <p>This step draws on the work plans and reporting produced by the department (applying the “generate once; use multiple times” principle) to gain understanding of the gaps in Act implementation. The reporting process is designed to provide an overview of the status of elements of the Act, not to identify why an individual plan, provision or regulations or activity have not been implemented. Individual areas would only be reported if they were representative of a more general pattern of widespread issues, or were of statewide significance.</p>	<p>3.3 Review internal work plans and reports</p> <p>3.4 Interviews with appropriate Department staff</p> <p>3.5 Draft report section</p> <p>3.6 Seek feedback from within Department</p> <p>3.7 Finalise report section</p>	<p>Database (under development in 2021) which will track the status of actions against recommendations from audits/reviews.</p> <p>Discretionary decisions database</p> <hr/> <p><u>Reviews:</u></p> <p><u>Natural Resources Commission</u></p> <p>https://www.nrc.nsw.gov.au/wsp-reviews</p> <p>Implementation program reviews for management plans available through relevant DPIE-W team</p> <p>DPIE-W Communications</p> <hr/> <p><u>Evaluations:</u></p> <p>DPIE-W</p> <p>Department Evaluation schedule (record of planned evaluations)</p> <p>Evidence Bank</p>
<p>Step 4. Identify the decision making processes and procedures that are applied in the decisions.</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> Functions Processes 	<p>Step 4 aims to determine whether there are processes and procedures in place to support decision making in the areas implemented (Step 2), how they are applied to the types of decisions that were identified in Step 3, and how they influence the gaps investigated in Step 3. The aim of Step 4 is to further understand the way in which processes and procedures guide or inform the application of the Principles in making decisions.</p> <p>Where decisions have been informed by policy, manuals, business as usual activities, and/or plan implementation, it should highlight the presence or absence of guidance in the decision-making process. A Table of Departmental functions is provided in Attachment 1.</p>	<p>4.1 Gather evidence.</p> <p>4.2 Categorise the processes and procedures.</p> <p>4.3 Seek clarification from Departmental staff.</p> <p>4.4 Collate the relevant policy or procedural documents.</p> <p>4.5 Review documents to identify how they give effect to Principles.</p> <p>4.6 Draft findings and Department feedback</p>	<p>Departmental structure</p> <p>Budget submissions</p> <p>Divisional quarterly reports</p> <p>Policies, manuals, methods Evaluations (DPIE-W, WaterNSW, NRAR)</p> <hr/> <p><u>Manuals</u></p> <p>Manuals or policies for implementation available through relevant departmental sections</p> <hr/> <p><u>Guidelines</u></p> <p>Implementation and technical guidance documents provide insight into the application of Principles. Available through relevant departmental sections</p> <hr/> <p><u>Systems</u></p> <p>Corporate functional business process systems (e.g. for WaterNSW the Water Licensing System (WLS) and the Water Accounting System (WAS))</p> <hr/> <p><u>WaterNSW</u></p>

Step	Rationale	Activities	Evidence
			<p>Operating licence, https://www.waternsw.com.au/about/legislation/operating-licence</p> <hr/> <p><u>IPART</u> WAMC, WaterNSW report to IPART for the purposes of setting fees and charges. Applications are available through IPART www.ipart.nsw.gov.au</p> <p>Audits of WaterNSW on the their performance against the licence provisions</p>
<p>Step 5. Determine if the activities have given effect to the principles.</p> <p><u>Scope:</u></p> <ul style="list-style-type: none"> • Rights, Licences & Trade • Regulation and Compliance • Work approvals • Protection, Rehabilitation • Environmental Flows 	<p>Step 5 works to address the primary review question - "<i>Have the work and activities of the Department been effective in giving effect to the water management principles of the Act and the State Water Management Outcomes Plan?</i>". It will illustrate the scope of work and activities that were effective in giving effect to the principles, and those that were not.</p>	<p>5.1 Gather evidence. 5.2 Collate the relevant policy or procedural documents. 5.3 Assess activities and processes 5.4 Seek feedback from Departmental staff. 5.5 Finalise the assessment.</p>	<p><u>Agency decisions</u> WaterNSW database systems (WLS and WAS) NRAR Annual report Advice provided to other Departments Works Approvals decisions (including for access to groundwater Basic Landholder Rights) Available Water Determinations Dealings applications</p> <hr/> <p><u>Ministerial decisions</u> Ministerial Licence approvals from Departmental records</p> <hr/> <p>Strategy and priority documents Annual Report</p> <hr/> <p>WaterNSW, WAMC Advice provided to Department of Planning Planning Approvals to Department of Planning SMART Sheet project management (if used) Quarterly reporting against State Outcome Indicators Project MER information and centralised project management S43 reports on Departmental website</p> <hr/> <p>WaterNSW – protection of water sources; DPIE-W – Environmental Protection and restoration e.g. constraints management; SMART Sheet project management (if used)</p>

Step	Rationale	Activities	Evidence
			DPIE- EES environmental water manager and water holder reports DPIE Water reports to Commonwealth Agencies e.g., Basin Plan, Ramsar
Step 6. Synthesis	Synthesise results – by plan type, by region and water source involves the synthesis of the results from steps 1 to 5, aiming to ensure clear communication of the key messages. It further addresses the review question, " <i>Has the work and activities of the Department been effective in giving effect to the water management principles of the Act and the State Water Management Outcomes Plan?</i> " – reviewing by plan type, work type and activity type. The step should illustrate the key areas of success and opportunities for improvement.	6.1 Collate the materials from steps 1 to 5. 6.2 Refer to the water management principles. 6.3 Identify who should be involved in determining findings and recommendations. 6.4 Develop criteria for guiding decisions on determining findings and recommendations. 6.5 Run process to determine findings and recommendations. 6.6 Review, check and update	<u>Risk and Compliance</u> NRC review and audit reporting; Assessments of risk to NSW water sources NRAR regulatory compliance and enforcement reporting <u>Hydrology</u> WaterNSW hydrology reports; BoM hydrological information; DPIE-W (surface water and groundwater) reports to MDBA under Section 71 of the Cwllth <i>Water Act 2007</i> <u>Floodplains</u> Floodplain mapping – DPIE-EES; Floodplain hotspot initiative -DPIE Water and NRAR <u>Socio-Economic</u> Regional Wellbeing survey – University of Canberra; ABARES analysis and reports; National Indicator Reports Environment NSW State of the Environment; Australia State of the Environment; Health of the Sydney catchment report (WaterNSW)
Step 7. Identify recommendations and publish findings and recommendations in annual report.	Following the review of the work and activities of the Department against the principles of the Act, the results of the review need to be shared under the requirements of s.10(2). The findings, recommendations and timeframes for improvements are to be collated for inclusion in the relevant reporting. Ensure all findings and recommendations are numbered or lettered in a systematic and unique way, enabling the future reference in implementation, responsibilities and reporting.	7.1 Identify, collate and number all findings and recommendations 7.2 Identify responsibilities and the timeframe for addressing recommendations 7.3 Develop s.10 review report for use in Annual Report 7.4 Refine and publish s.10 review within Annual Report	

5.3 Rubrics

Rubrics are tools that support a consistent approach to assessment based on defined assessment criteria and associated performance descriptions that inform an integration and scoring strategy. At several steps through the reporting process, it will be necessary to make decisions about the content of the report and the information that should be used to inform the review. Preliminary rubrics have been developed to support the application of the method and are outlined in further detail in **Attachment 3**.

The rubrics presented can be used to support planning decisions about the content of the report (Rubrics 1-5) or about the best information sources to be used (Rubrics 6a & 6b). It is anticipated that as situations change, the Rubrics may need to be adapted to accommodate new information or criteria. It should also be noted that they are designed as support tools and should only be used to guide decisions.

5.4 Assessment tables

To assist with the s.10 review method, three tables have been developed to assist with the recording of the findings. The Tables are a tool that will help the Review Team collate information from documents that do not necessarily provide ready access to the content required for the Review. There will be some areas where these tables are not required. However, even in areas such as the review of WSP, the s.10 Review will need to distil the messages that are common across multiple reviews and access to tools that support summarisation, synthesis and integration will be useful for the process. It is anticipated that as s.10 reporting is integrated in BaU, these tools will be used less or modified to meet the Review Team's evolving needs. These assessment tables are included in **Attachment 4**.

The assessment tables are designed to fit in with the method structure and allows the easy flow of information through the Legislative Instruments as shown in Figure 3 to link the decisions and actions of the Department to the principles. The three tables work in series as follows:

- Table 4-1 collates the evidence sources identified and allows prioritisation using the rubrics in **Attachment 3**.
- Table 4-2 is used for each of the evidence sources being used. It details the decisions that were informed by the evidence and links the evidence to specific principles. Providing a clear link shows how the decisions are giving effect to the identified principles.
- Table 4-3 takes the findings from evidence reviews and lines them up against the principles they are giving effect to. Once the method is completed, Table 4-3 gives a clear picture the extent that the Department has effectively given effect to the principles.

The tables have been designed to help inform the process and have allowed for the various lines of evidence that may inform a review. In many cases the decisions may not be made directly from the evidence source, such as in management plans, so areas have been added to outline the linkage process. This may be through an implementation guideline, or process plan, or may be left blank.

While they have been designed to be applied to various evidence sources, it is expected that they are likely to need amendment over the period of application. They have also been designed to encourage the ongoing collection of evidence over a five-year period, allowing a more efficient review process at the interval of not more than 5 years.

5.5 Exclusions from the review method

The s.10 review will not:

- Conduct audits or reviews of individual plans, rather it will draw on the previously completed audits or reviews as part of the review (i.e., it applies a "generate once; use multiple times" principle).
- Conduct a review of supporting documentation. Supporting material will be used as context to the review but is not the subject of the review.
- Examine accuracy of data used to inform decisions including approvals, licences, or rights. The review will identify where risks have been identified around the quality of data used to inform decisions.

The s.10 review will identify issues as they are raised and include them as findings in the assessment but may not provide a recommended solution.

6 Consultation

The s.10 review is instigated by the Minister and there is no formal requirement for consultation. As noted, the scope is limited to agencies with statutory roles in implementing the Act. There are, however, two areas where consultation will be required – consultation with Departmental staff, and consultation with collaborating agencies.

Consultation with Departmental staff

Undertaking the first review will require input over and above their existing reporting obligations. Following the first review, there will be a need to adapt reporting requirements to ensure that the material required to meet s.10 requirements becomes part BaU. Facilitating this change will require development of a change management plan including an appropriate engagement model to ensure that stakeholders are given the opportunity to influence the ways in which the required information is generated and subsequently managed. Some of the key elements to the change management process will be:

- **Vision:** having a clear vision of what is sought and how it will affect stakeholders
- **Incentives:** being clear about the benefits of changing processes for stakeholders
- **Resources:** While the vision is ultimately to have more efficient and effective reporting processes, it is possible in some situations that the transition may require additional resources. Ensuring these are available will help overcome people's natural resistance to change.
- **Early success:** Ensuring that there are some early tangible improvements to support buy-in
- **Plan:** Ensure there is an agreed timeline and outputs for the change. It is also important there is follow through on these and that the project manager oversees delivery.

It will be important to begin consultation around the change during the first year. The longer-term change will provide important context for the initial contacts around accessing information for the review.

Consultation with collaborating agencies

Given the dispersed roles in implementation of the Act and areas of overlap between agencies, the Department will rely on other agencies for information (Table 5) and it is likely that findings and recommendations may affect Departmental priorities, governance, and processes all of which may affect relationships between the Department and collaborating agencies. To maintain collaborative relationships and facilitate implementation of recommendations a program of consultation with subject agencies is recommended. The major activities included in the program could include:

1. Development of a customisable briefing to be provided to all subject agency staff or contractors who provide information. The briefing would be customised to make it clear why the information was being sought, what would be done with it and any further opportunities for them to influence the review process.
2. Provision of the relevant section of the report to the agency staff or contractors once it has been drafted. It will be important to be clear about whether you are seeking feedback from them (and by when) or whether you are just closing the loop.
3. Step 7 includes consultation with key subject agency stakeholders to finalise the findings and recommendations. There will be limits to the scope of subject agency staff or contractors who can participate in this process; however, it is worth letting key contacts know who will be representing their agency.
4. With the publication of the review, it is worth emailing all contacts to thank them for their contribution and providing the link to the Annual Report and any supporting information.

Table 5. An overview of the agencies that are likely to be involved in the review process, their role in implementation, the types of information they could contribute and their level of interest in the review's findings and recommendations.

Type	Agency	Implementation	Information Source	Interest in Findings
Water Management Act role	DPIE – Biodiversity, Conservation and Science Directorate (DPIE - BSC)	Adaptive Management Environmental water manager function for WSP implementation	Adaptive management Water Source Risk Assessment e.g. Single Point of Truth tool (WSP Risk)	High
	WaterNSW	Licensing and approvals Water Source protection Adaptive Management	Licence data base, Annual reports	High
	Natural Resources Access Regulator (NRAR)	Compliance & Regulation	Reports on regulation and compliance	High
	Natural Resources Commission (NRC)	Adaptive Management	Reviews and Investigations	Medium
Regulation	Independent Pricing and Regulatory Tribunal (IPART)		Price submission, licence compliance	Low
	Independent Commission Against Corruption (ICAC)		Investigations	Low
	Land & Environment Court		Appeals	Low
Collaborators	Water Administration Ministerial Council	Infrastructure and State significant works	Project Plans, Quarterly reports	Medium
	DPIE – Planning	Aquifer management State Significant Development State Significant Infrastructure	Aquifer applications	Medium
	National Parks and Wildlife Service	Asset managers for floodplains and wetlands	Rehabilitation project plans and reports	High
	Environment Protection Authority	Water quality		Medium
	NSW Marine Estate Authority	Drainage and water quality approvals	Drainage applications. Reform project reports	Medium
	NSW Department of State of Regional Development	State significant works in areas of environmental sensitivity. Mining, Tourist, Waste Management, Energy generating developments	Project Plans, Project reports, Annual report	Medium/High
Commonwealth	Murray-Darling Basin Authority (MDBA)	MDB water planning Adaptive Management		Low
	Commonwealth Environmental Water Office (CEWO)	Environmental Flow management Adaptive Management	Reports and Evaluations	Low
	Department of Agriculture, Water and Environment (DAWE)	Biodiversity and associated treaties. State of the Environment Commonwealth <i>Water Act 2007</i> and advice to Commonwealth Minister for Water	Environmental information	Low

7 Implementation and risks

Undertaking the s.10 Review will provide an important overview of the implementation of the Act and progress toward achievement of the Principles. The most efficient way of implementing the review will be to imbed it in the Department's business as usual. The Department has a range of existing reporting obligations and where it is collaborating with other agencies there will be reports on implementation of the Department's role in the collaboration. All these information sources can be used to inform the review.

7.1 Resourcing and overseeing the review

Implementing the review method and meeting the requirement of section 10 will require dedicated resources to collect, collate and analyse data over time. While the review is only required on a five-year basis, data collection to inform the review should be undertaken on a regular, consistent basis to ensure that works and activities are not missed or lost in people's memories. Where this role and responsibility sits within the Department will need to be agreed and adequately resourced and supported to enable delivery of the method.

Undertaking the review will require resources to do the review; a working group to provide technical support; and a steering committee to oversee the review and act on the findings / recommendations. The roles of the review team, working group and steering committee are described above, in Review governance.

7.2 Alignment to existing and emerging MER systems

Aligning to existing process and timing of reporting for other MER activities will be important to streamline the data collection for the s.10 review method. A summary of relevant existing reporting requirements is provided in **Attachment 5**.

Implementation programs and MER plans that are currently in development for work and activities of the Department (i.e. for Water Sharing Plans, Floodplain Management Plans and Floodplain Harvesting environmental MER, and the State Water Strategy and Regional Water Strategies) should seek, where possible, to include a line of inquiry regarding to what extent implementation of plan parts give effect to the water management principles. There may be potential to request inclusion in planned evaluations of other strategies and policies (e.g. NSW Non-Urban Metering Framework, Extreme Events Policy). Including a key evaluation question that directly links to the s.10 Review requirement (i.e. to what degree the Statutory Plan or activities give effect to the Principles) will assist in

- streamlining data collection and reporting from strategy and plan implementation
- early identification of compliance and non-compliance in giving effect to the Principles
- establishment of systems, procedures and processes that assure the giving effect of the Principles, and
- implementation of Review findings.

7.3 Considerations for implementation and risk management

Wherever possible, the review should seek to promote the "generate once; use multiple times" principle and tap into existing reporting processes. It is much easier to modify an existing process than it is to plan, resource and implement a new process. The items listed in the Method requirements should underpin a process of ongoing information collection which will streamline the review process.

There are a number of risks in seeking to sustain an ongoing process of information gathering that feeds into the review process. Some of the risks and associated management strategies include:

1. DPIE-Water staff turn-over. Changes in the Review team (and/or contractors) can lead to loss of understanding of the process and infrastructure and perhaps more critically the network or relationships that facilitate access to information across agencies. This can be managed by:

- Ensuring succession is planned to include overlap between departing and arriving staff.
- Comprehensive project documentation of the structure of the repository and key contact details, and

- Comprehensive documentation of the Review process (in accordance with this method, but including updates to the Method).

2. Key contact changes. Changes in staff roles in the Department or other agencies may disrupt the flow of information. This can be managed by maintaining records of multiple contacts within the agency section responsible for generating information. These contacts can then be used to get an introduction to the person who takes on the role.

3. Machinery of Government (MoG) changes. MoG can be associated with changes in agency roles, processes, priorities and most importantly the people undertaking the work. Managing this risk can be a challenge as the changes may affect the reporting team as well. Where possible it will be important to identify the MoG consequences and seek to establish new relationships with the people who take on responsibility. Importantly, the key obligations and responsibilities of the Department under the *Act* do not change with MoG changes.

4. Ensuring that the responsibility for leading the s.10 review is clearly stated in the position description, duties and responsibilities for the relevant leadership role.

5. Change of Priorities. In some cases, the allocation of resources to an area will decline to the point where little activity is undertaken. This may leave a gap in the review process. This can be managed by documenting the change and its impact and lodging the information within the repository so that it can be included in the review process and to avoid wasting resources searching for information that does not exist.

6. Resourcing proactive information collation, collection and management, resourcing the preparation and management of the review. and

7. Systems change. The method has been designed to be robust to systems changes, however, there are still risks that changes in IT or reporting systems may cause disruption or loss of information. The most effective management of these risks is to be proactive and ensure the review team consider the consequences of any systems changes and then implement an appropriate strategy to minimise disruption.

The Method as described in this document seeks to build on the foundation provided by the Department's current evaluation and reporting processes with a view to achieving greater efficiency through a generate once, multiple use operability. Progress toward this objective is likely to vary in response to a variety of issues (resources, priorities, engagement), however, the approach of building on areas of strength will increase the likelihood of successful change and minimise unexpected outcomes. It does reinforce the need to treat the Method as a strategy that responds to opportunities and risks rather than a recipe to be followed once every five years.

8 Method updates

The s.10 review method has been structured so that it is planned progressively through the review process. This provides multiple opportunities to update or adapt the method as:

- New information becomes available.
- Reviews reveal new achievements or risks.
- Information thought to be available is inaccessible or not fit for purpose.

At the completion of the review, the lessons learnt from implementation should be used to update the method. The most resource hungry and risky parts of the review – likely to be accessing and reviewing information - should be the highest priority.



Attachment 1. Functions

Table 1-1. Overview of the responsible agency and their function at each tier of the pyramid presented in Section 3.

Area	Scope – what is covered in this area of the pyramid	Description	Who	Function / role
Act	The Water Management Act (2000) <i>Includes section 5. water management principles</i>	The Act includes objects, Principles and specifications for Plans and regulations	The Department	
Planning & Policy	Policy Development Strategies Developing management plans (Statutory Plans, e.g. WSP, FMP etc)	Planning in this context refers to development of statutory Plans, policy development, strategy development, but not operational planning	DPIE-W	Policy and Planning including development of statutory plans
Implementation and Regulation	Implementation Plans, operational plans	Implementation is defined here as ensuring functions and processes are in place to support the Act. Regulations are subordinate legislation governing detail of implementation under the Act (Statutory Plans are also subordinate legislation but are more strategic in nature)	DPIE-W	Oversight of Implementation and regulation
	Regulations		DPIE-W	Development of Regulations
	Evaluation and Review		DPIE-W NRC	Adaptive Management
	Joint private works		WaterNSW	Implementation and regulation of licences and approvals
	Public works (i.e. bulk water supply works, water infrastructure)		DPIE-W, WINSW	Implementation of approvals processes Preconstruction and construction
			WINSW	River & infrastructure operations, Customer Services, administration of licences and Approvals, hydrometric data acquisition & custodianship
	Public Utilities	IPART	Regulation of fees and charges	
Procedures and processes	Water Supply	Processes and Procedures are the sequence of operations, supporting resources and infrastructure required to perform a function.	WaterNSW Sydney Water	Delegate for processes
	Environmental Flows		DPIE-EES	Planning Adaptive Management
	Evaluation and Review		DPIE-Water NRC	Adaptive Management
	Approvals processes (Private)		DPIE- Water WaterNSW	Oversight Delegate
	Approvals processes (Public)		DPIE- Water WAMC NRAR	Manager Delivery Processes

Area	Scope – what is covered in this area of the pyramid	Description	Who	Function / role
	Compliance		WaterNSW NRAR	Delegate Delegate
	Enforcement		WaterNSW NRAR	Delegate Delegate
Decisions and action	Rights & Licences	Decisions are the decisions on issues such as licence applications undertaken within the context of the functions and processes established under the Act.	DPIE-Water WaterNSW NRAR	Oversight Delegate Delegate
	Private Works (approvals)	Works are activities designed to:	DPIE-Water WaterNSW	Oversight
	Public Works (i.e. bulk water supply works, water infrastructure)	protect or restore water sources	DPIE-Water WAMC WINSW	Planner Delivery Delivery
	Enforcement	Improve water delivery Protect or restore environmental values Private works to improve social and economic outcomes	DPIE-Water NRAR WaterNSW	Oversight Delegate Delegate
Adaptive Management	Hydrology, Water Quality Investigations Monitoring Evaluation Review	Improving management effectiveness by using interventions to reduce uncertainty and maintain a cycle of continuous improvement.	DPIE-Water WaterNSW NRC DPIE-EES	
Administration	WAMC Panels Finance		DPIE WNSW IPART	Administration



Attachment 2. Section 10 review method – steps

Step 1. Establish the context

Step 1 Establish the context

Rationale:

Step 1 will allow an understanding of what events (see rubric 1) have potentially influenced the Department’s ability to give effect to the water management principles. The step will help understand what has happened and changed in the five-year period of review that might influence:

- the review approach,
- the data sources,
- the scope of functions of the Department, and
- the water management outcomes.

Activities in Step 1

- 1.1 Gather contextual information.
- 1.2 Map to timeline
- 1.3 Identify dependencies and relationships between events.
- 1.4 Seek input from Department on implications of changes.
- 1.5 Identify if context assessment triggers a need to amend the approach to the review.
- 1.6 Plan the next step.

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 1.1	<p>Gather contextual information.</p> <p>With guidance from the Review Steering committee, evidence of events and their implications will be gathered and reviewed to determine changes in:</p> <ul style="list-style-type: none"> • Legislative changes – there are a number of areas where the scope of the <i>Act</i> overlaps that of other legislation. • The role of the Department • Priorities • Roles and Responsibilities • Risk management activities that resulted in changed practices or priorities. 	<p>Legislative changes</p> <p>Machinery of Government</p> <p>New Policy</p> <p>Strategy</p>	<p>Communications, NSW Legislation webpage and relevance of the changes identified.</p> <p>Communications, NSW Govt. webpage, departmental websites</p> <p>Business Planning Support “Coordination of New Policy Proposals” function</p> <p>Periodic reporting, web site and communications</p>
Activity 1.2	Map to timeline	Occurrence in reporting period and period required to take effect	As above
Activity 1.3	Identify dependencies and relationships between events	Relationship to Act provisions and	As above

Activity	Description of requirements	Areas in Scope	Sources of Evidence
		implications of all changes	
Activity 1.4	Seek input from Department on implications of changes	Feedback on above	Interviews, Workshop
Activity 1.5	<p>Identify if context assessment requires adaptation of review plan The Review Steering committee will review a summary of the contextual information and their implications and then provide advice on:</p> <ul style="list-style-type: none"> • Changes to the review method, which are most likely to be additions or exclusions. • Key priorities which will influence planning for subsequent steps. 	Input into 1.6	
Activity 1.6	<p>Plan the next step During the compilation and synthesis of contextual information, planning for Step 2 can commence through consideration of the influence of these factors on the Department’s priorities and work plan. These factors may require content be included in the report either:</p> <ul style="list-style-type: none"> • Directly due to priority status or attention focus. • Indirectly due to changes in context requiring resource investment in specific areas. <p>To support this process a rubric (rubric 1) has been developed to organise relevant information to enable a prioritisation of changes in context to inform the development of the report. These priorities will inform subsequent planning steps in the reporting process and the topics covered in the report (see 2.6).</p>	<p>Context</p> <p>High priority areas</p> <p>High risk areas</p>	<p>Output from 1.1-1.5</p> <p>Areas that have large resource allocations, been given high priority or achieved large impact</p>

Step 2. Determine the extent to which the parts of the Act have been implemented.

Step 2. Determine the extent to which the parts of the Act have been implemented.

Rationale:

This step will support planning and prioritisation of the reporting process. It will identify the parts of the Act that will be included in Step 3, and those to be considered in Step 4, as well as the main areas of activity for the Department. There are likely to be two broad categories identified:

1. Areas where Plans have been implemented which are more likely to have audits and reviews to provide evidence of implementation.
2. Areas where Plans have not been implemented but the Department has continued to make decisions, for example Drainage where a decision was taken to adapt existing processes and procedures.

Step 2 Activities

- 2.1 List relevant parts of the Act
- 2.2 Identify sources of information on implementation.
- 2.3 Collate information and draft a prioritised catalogue.
- 2.4 Seek feedback from within Department
- 2.5 Finalise catalogue.
- 2.6 Planning steps 3 & 4

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 2.1	List relevant parts of the Act All parts of the Act have some relevance to achievement of its Objects and Principles. The review planning will focus on the logic of the water management Plans in which they provide the framework for implementation. This will become a reference point through the rest of the review.		The Act
Activity 2.2	Identify sources of information on implementation. Step 2 involves the identification of the parts of the Act that have been implemented or updated during the reporting period and the relevant sources of information. In contrast to Step 1, the sources of information will be documentation of activities associated with the implementation of the Act.	Activity 2 will be informed by:	Departmental structures Public documents, Annual reports, Manuals, Policies, Internal approvals Corporate Performance Reporting and Evaluation
Activity 2.3	Collate information, draft a catalogue and prioritise implementation focus areas.		Information collected in Activity 2

Activity	Description of requirements	Areas in Scope	Sources of Evidence
	<p>The information accessed in the previous action will be collated and prioritised using rubric 2 and placed within a catalogue that will enable review and feedback from the Department (refer Section 3.1.1 and 3.1.2). The catalogue will categorise each item by the relevant parts of the Act and Principles (initially listed at 2.1). The context outputs from Step 1 will also be included which will enable prioritisation of implementation areas that will comprise the focus on Steps 3 and 4 and be used in planning for these steps at 2.6. The prioritisation will be based on resources allocated, impact, risk and the resources required to access and review the requisite information.</p>		
<p>Activity 2.4</p>	<p>Seek feedback from within Department. The catalogue will be circulated to the Review Steering committee for review and identification of additional information or activities for inclusion in the catalogue. The Department will also provide feedback on the implementation prioritisation to either refine the criteria used, the ratings, or identify implementation areas that need to be included for reasons not captured by the criteria.</p>		<p>Interviews, Workshop</p>
<p>Activity 2.5</p>	<p>Finalise catalogue. The feedback from the Department will be used to follow up on any additional activities, adjust priorities, and for catalogue updates and finalisation.</p>		<p>Input from activities 2.3 and 2.4</p>
<p>Activity 2.6</p>	<p>Planning Steps 3 & 4 In implementing the broad priorities confirmed in Step 1.6, and 2.4 the catalogue will be used to develop a priority list of implementation topics within each area and associated activities to be included in the report. This will include:</p> <ol style="list-style-type: none"> 1. Topics that have not been implemented that will be reviewed in Step 3 2. Topics that have been implemented that will be reviewed in Step 4. . <p>To support this process rubric 2 has been developed to organise relevant information to enable a prioritisation of the implementation</p>		<p>Input from activities 1.6, 2.3 & 2.4</p> <p>Departmental budget submissions and quarterly reports</p>

Activity	Description of requirements	Areas in Scope	Sources of Evidence
	<p>areas that will be included in the report. Once priorities have been identified, a process of identifying and accessing appropriate sources of information can be planned and initiated as described in Step 3.</p> <p>Once this prioritisation has been completed, it is then worth prioritising the processes and procedures that have been implemented. The number that could be reviewed may exceed the available resources and so prioritisation will enable effort to focussed on key areas. Rubric 3 has been drafted to support this prioritisation.</p> <p>One of the key outputs from this step will be a file structure for a document repository that will be used to store and access information and evidence (Refer Section 3.1.1 and 3.1.2). The file structure may need to be adapted in subsequent steps, but it is important that the repository be developed collaboratively to ensure information can be accessed efficiently. As part of the planning it is worth developing a time-line and risk register in line with the allocated resources so that the plan can be adapted on an ongoing basis.</p>		

Step 3. For what has not been implemented, determine why.

Step 3: For what has not been implemented, determine why.

Rationale:

Delays in Act implementation slow down application of the principles and represent a reputational risk to the Department. Step 3 seeks to understand why implementation has not been undertaken or delayed. This will inform adaptive management to ensure implementation can proceed. The scope of Step 3 is the Plans their provisions and associated regulations identified in Step 2.

This step draws on the work plans and reporting produced by the department to gain understanding of the gaps in Act implementation. The reporting process is designed to provide an overview of the status of elements of the *Act*, not to identify why an individual plan, provision or regulations have not been implemented. Individual Areas would only be reported if they were representative of widespread issues.

Step 3 Activities

- 3.1 Gather relevant evidence
- 3.2 Review Department structure
- 3.3 Review internal work plans and reports
- 3.4 Interviews with appropriate Department staff
- 3.5 Draft report section
- 3.6 Seek feedback from within Department
- 3.7 Finalise report section

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 3.1	Gather relevant evidence. The first step is to gather readily accessible sources of information including Departmental records, web site content and communications. Once the initial sweep has been completed an assessment of the evidence available to report on each of the priority areas will be undertaken which will inform the next round of information gathering.	NSW Plan approval Plan Audit and Review Plan Implementation	Departmental records, Web sites (MDBA, CEWO, WaterNSW, NRC), Communications NRC website Departmental Risk Management (Corporate Engagement and Relationships: Governance Division – Risk Champions) Project meta-data (Business Planning Support) Plan implementation reporting
		Regulation & Compliance	WaterNSW and NRAR priorities and reports

Activity	Description of requirements	Areas in Scope	Sources of Evidence
		Adaptive Management	NSW Plan approval, MERI Plans, Plan audits and reviews, Departmental reports (DPIE-EES) DPIE-W (Floodplains) Plan amendments and associated documentation
Activity 3.2	Review Department structure Where gaps in information are identified, the department structure will be reviewed to identify the section with direct responsibility for the area. Where this cannot be done (e.g., due to MoG), advice will be sought from the Review steering committee to identify potential sources of information.		Departmental Structures
Activity 3.3	Review internal work plans & reports. Once appropriate work units have been identified, work plans, and reports will be accessed and reviewed to identify where delays occurred and the reasons for the delays. These reviews will focus on risk assessments undertaken by sections to try and identify the extent to which management of risks contributes to achievement of the Act's principles.		Section performance reporting Business risk registers
Activity 3.4	Interviews with appropriate Department staff In some areas, activities 3.2 and 3.3 will not provide enough information to inform the report. In these instances, it will be necessary to interview appropriate Departmental staff on the delays, their causes and available remediation. In some cases, there may be value in combining these interviews into a workshop to enable staff to discuss common issues.		Interviews, Workshop
Activity 3.5	Draft report section A draft report section will outline: <ul style="list-style-type: none"> • significant issues (in terms of giving effect to Principles) and recurring messages about the reasons that implementation has been delayed . • The rationale for deferred implementation For each area, the report will include a high-level risk assessment for the Principles.		Input from activities 3.1, 3.3 and 3.4

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 3.6	<p>Seek feedback from within Department.</p> <p>The report section will be circulated to the Review Steering committee for review. This may be done in conjunction with the section produced in Step 4.</p>		Interviews, Workshop
Activity 3.7	<p>Finalise report section.</p> <p>The feedback from the Department will be used to finalise the report section which will provide important context for subsequent steps.</p>		Input from activity 3.6

Step 4. Identify the decision making processes and procedures.

Step 4: Identify the processes and procedures that are applied in the decisions.

Rationale:

Step 4 aims to determine whether there are processes and procedures in place to support decision making in the areas implemented (Step 2). The aim of Step 4 is to understand the way om which processes and procedures guide or inform the application of the Principles in making decisions. It should highlight the presence or absence of guidance in the decision-making process. A Table of Departmental functions is provided in **Attachment 1**.

Activities in Step 4

- 4.1 Gather evidence.
- 4.2 Categorise the processes and procedures.
- 4.3 Seek clarification from Departmental staff.
- 4.4 Collate the relevant policy or procedural documents.
- 4.5 Review documents to identify how they give effect to Principles.
- 4.6 Draft findings and Department feedback

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 4.1	<p>Gather evidence.</p> <p>Using the areas identified in Step 2, and priorities 2.6, develop a list of relevant processes or procedures . Evidence will then need to be collected in the form of policies, manuals or instructions that describe the relevant processes. In many cases these will be internal Departmental documents that will need to be provided by the appropriate sections of the Department, WaterNSW, NRAR or other delegated authority.</p>	policies, manuals, or instructions	<p>Internal Departmental documents</p> <p>WSP Implementation Theme plans</p>
Activity 4.2	<p>Categorise the processes and procedures.</p> <p>The next step is to place the evidence into categories to enable identification of similar approaches or limitations. A categorisation could include both a reference to the Principles and also the type of activity, for example:</p> <ul style="list-style-type: none"> a) Rights, Licences and Trade b) Compliance and Regulation c) Work approvals d) Protection, Rehabilitation, Environmental Flows <p>Having categorised the available evidence, the assembled information can then be cross-checked against the priority areas and gaps identified.</p>		

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 4.3	<p>Seek clarification from Department.</p> <p>The catalogue of evidence will be reviewed by the Working Group and Steering Committee to check whether there are key sources of information that have been missed or whether another area should be included if resources are available.</p>		
Activity 4.4	<p>Collate the relevant policy or procedural documents.</p> <p>With feedback, it is then possible to collate the complete package of evidence and place all evidence into appropriate categories.</p>		
Activity 4.5	<p>Review documents to identify how they give effect to Principles.</p> <p>With the evidence collated, the review can then assess the extent to which processes and procedures give effect to the Principles. The assessment will identify common approaches, variation in approaches and situations where there may be inadvertent risks between principles. It is expected that The Principles or at least environmental, cultural, social, and economic values have the capacity to influence the outcomes of processes and that there is appropriate risk management imbedded within the processes.</p>		
Activity 4.6	<p>Refine Plan for Step 5</p> <p>The completion of Step 4 will reveal the priority areas that have policies/manuals in and assessments of the policies/manuals will indicate the levels of assurance in finer scale decisions. The investment in reviewing actions/activities will be influenced by:</p> <ul style="list-style-type: none"> • Where a policy/manual exists, the extent to which actions/activities follow the policy/manual. Policy/manuals that provide a high level of assurance require less investigation than those that provide low levels • Where a policy/manual doesn't exist, a review of existing processes will need to identify the extent to which the Act's principles are applied and whether this provides any assurance about decisions. Larger investments will need to be allocated reviewing decisions or activities. <p>In each area a decision will need to be made on the number of activities/actions need to be reviewed to reasonably assess the extent</p>		

Activity	Description of requirements	Areas in Scope	Sources of Evidence
	<p>to which they give effect to the Principles. In planning this, decisions on sample size would be influence by:</p> <ul style="list-style-type: none"> a. Access to information – if the information is not available or would consume too many resources, then effort could be scaled back. b. Risk – consideration of the assurance provided by established processes and the likelihood of activities/actions not giving effect to the Principles c. Impact - consideration of progress toward achieving the Act’s objects if activities/actions do not give effect to the Principles <p>Rubrics 4 and 5 have been drafted to support this process.</p>		

Step 5. Determine if the activities have given effect to the principles.

Step 5: Determine if the activities have given effect to the principles.

Rationale:
 Step 5 works to address the primary review question - "*Have the work and activities of the Department been effective in giving effect to the water management principles of the Act and the State Water Management Outcomes Plan?*". It will illustrate the scope of work and activities that were effective in giving effect to the principles, and those that were not.

Activities in Step 5

- 5.1 Gather evidence.
- 5.2 Collate the relevant policy or procedural documents.
- 5.3 Assess activities and processes
- 5.4 Seek feedback from Departmental staff.
- 5.5 Finalise the assessment.

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 5.1	<p>Gather evidence.</p> <p>The first step is to gather the evidence identified in Activity 4.5 and record the details of the sources of information. It will be important to develop a repository for this information and develop a catalogue that includes an agreed suite of metadata. This will help ensure that evidence is available to be reviewed quickly and efficiently.</p> <p>To guide the process, two rubrics have been developed to inform the process:</p> <ul style="list-style-type: none"> • Rubric 6a for work and activities. • Rubric 6b for processes. 	<p>Policy</p> <p>Rights and Licence decisions</p> <p>Work approvals</p> <p>Operational decisions, such as those relating to LTAAEL compliance action, growth in use strategies, and s.324 and associated temporary orders.</p>	<p>Water Actions Management System and WaterNSW data base, Ministerial approvals</p> <p>Planning documents, Approvals, Departmental Performance Reporting</p> <p>WAMC reports to IPART (web)</p> <p>WAMC Quarterly reports</p> <p>DPIE-W advice to Planning Dept on State significant developments.</p> <p>Departmental quarterly and annual reports</p> <p>WaterNSW event reports on PPM</p> <p>DPIE-W groundwater allocation statements</p> <p>WaterNSW reports, NRAR reports, ICAC and IPART reports</p>

Activity	Description of requirements	Areas in Scope	Sources of Evidence
		Regulation and Compliance Adaptive management processes	NSW State of the Environment report, DPIE-EES reports, DPI reports, Basin Plan reporting Plan updates or amendments
Activity 5.2	Collate The types of evidence will vary from data base information, through project plans to reports on processes. The evidence will then need to be collated and categorised by the part of the Act and Principles to which it relates and the type of activity. Once the evidence has been collated the assessment can begin. A summary of the acquired evidence shall be populated including an agreed suite of meta-data.		
Activity 5.3	Assess The assessment process will be broadly similar to that undertaken for policies/manuals in that it will assess the extent to which each activity gives effect to the Principles. The assessment will produce an overview of activities undertaken within the domain of each of the types of Plan and will therefore be seeking to identify common approaches, variations in approach and situations where there may be inadvertent risks between principles both within a Plan and across Plans. The approach will, however, must be adapted to suit the three main types of activities. <ol style="list-style-type: none"> a) Actions/activities guided by a policy or manual or decision tools. The assessment needs to identify the extent to which the activity/actions have given effect to the Principles. b) Actions/activities <u>not</u> guided by a policy or manual will be assessed to identify common approaches to considering the Principles. The assessment will also look for variation in approaches and situations where there may be inadvertent risks between principles which will inform both strengths and risks associated with current practice. 		

Activity	Description of requirements	Areas in Scope	Sources of Evidence
	<p>c) Processes such as Policy, Planning, Strategy development and Adaptive Management are seldom guided by a manual. The assessment will take the same approach as for b, acknowledging that there is likely to be considerable variation.</p> <p>Once the assessment has been completed, it will be distilled into a summary that will identify the key areas assessed and the key findings associated with each area.</p>		
Activity 5.4	<p>Department feedback</p> <p>The data summary and assessment summary will be provided to the Review Steering Committee for feedback. The feedback shall focus on any significant gaps in evidence (within the context of the plan) and commentary on the key findings.</p>		
Activity 5.5	<p>Finalise assessment.</p> <p>With receipt of feedback, the reviewers will then be able to refine the evidence, assessment, and summary findings.</p>		

Step 6. Synthesise results – by plan type, by activity or process type, by principle.

Step 6: Synthesise results – by plan type, by activity type, by principle.

Rationale:

Synthesise results – by plan type, by region and water source involves the synthesis of the results from steps 1 to 5, aiming to ensure clear communication of the key messages. It further addresses the review question, *"Has the work and activities of the Department been effective in giving effect to the water management principles of the Act and the State Water Management Outcomes Plan?"* – reviewing by plan type, work type and activity type. The step should illustrate the key areas of success and opportunities for improvement.

Activities in Step 6

- 6.1 Collate the materials from steps 1 to 6.
- 6.2 Refer to the water management principles.
- 6.3 Identify who should be involved in determining findings.
- 6.4 Develop criteria for guiding decisions.
- 6.5 Run process to determine findings.
- 6.6 Review, check and update

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 6.1	Collate the materials from steps 1 to 5. This information will include the draft report sections prepared as part of Steps 3 and 4 and the findings of Steps 4 and 5.		
Activity 6.2	Refer to the water management principles. The review will examine common messages that have emerged for by each plan type, by region and water source. Within these categories, there will be consideration of each of the Principles. These messages will then be developed into narratives based on the plan type, region, water source and Principles. This could be presented as a series of matrices with principles on one axis and Plan type or region on the other. Water sources could be nested within regions.		
Activity 6.3	Refer to the Act objectives Using existing sources of information evaluate the contribution of the implementation of the Act to achievement of the Objects and Principles of the Act., and other published assessments of environmental, cultural, social, and economic conditions.		NSW State of the Environment Reporting Assessments of risk to NSW water sources WaterNSW hydrology reports Departmental environmental flow reports Reports to Commonwealth Agencies e.g., Basin Plan, Ramsar Regional Wellbeing survey ABARE analysis and reports National Indicator Reports

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 6.4	<p>Identify who should be involved in determining findings.</p> <p>With the content collated and key messages identified, the next step is to identify the people who will identify the key findings and develop the recommendations. The Review Steering Committee will provide critical input, but depending on the extent to which technical, independence or stakeholder participation are desired the composition of the Panel could vary widely.</p>		
Activity 6.5	<p>Develop criteria for guiding decisions.</p> <p>Once the Panel has been formed, they will need to develop a suite of criteria for guiding decisions on the content of the report. In doing this, they will need to be clear about what the report is trying to achieve and that there are likely to be several different audiences who will have different expectations for the content of the report. In considering the findings within a procedural assurance framework the Panel will need to consider where in the hierarchy improvements are most likely to improve giving effect to the Principles. For example, how much influence do individual decisions have and if they only have a significant impact in aggregate, then the focus may need to be on the regulations or principles. The Panel will also need to consider where the risks lie in the translation of Principle to Instrument to Process to Decision.</p> <p>The objective of the review is to determine whether work and activities have been effective in giving effect to the water management principles. In doing this it is then important to understand:</p> <ul style="list-style-type: none"> • What underpinned success? • Why implementation has not met expectations and • What can be done to improve outcomes? <p>While it is expected that the criteria would remain broadly consistent for each 5-year report, it will be important for the panel to have the capacity to adapt the criteria in line with contextual changes (step 2) and progress in the implementation of the Act or related strategies.</p>		
Activity 6.6	<p>Run process to determine findings.</p> <p>With the information provided and criteria agreed, the panel can then review the information and identify findings. The panel would</p>		

Activity	Description of requirements	Areas in Scope	Sources of Evidence
	<p>then convene to discuss and prioritise findings and begin the discussion of possible recommendations.</p> <p>This process may identify some areas of uncertainty which the review team may then seek to clarify. Once responses have been circulated back to the Panel, the Panel can reconvene to finalise the recommendations.</p>		
Activity 6.7	<p>Review, check and update.</p> <p>The reporting team shall complete the process of compiling the information, findings and recommendations into a draft report that will be circulated to the Panel for feedback. Once the feedback is received and addressed the report will be finalised.</p>		

Step 7. Identify recommendations and publish findings and recommendations in annual report.

Step 7: Identify recommendations and publish findings and recommendations in annual report.

Rationale:

Following the review of the work and activities of the Department against the principles of the Act, the results of the review need to be shared under the requirements of s.10(2). The findings, recommendations and timeframes for improvements are to be collated for inclusion in the relevant reporting. Ensure all findings and recommendations are numbered or lettered in a systematic and unique way, enabling their future reference in implementation, responsibilities and reporting.

- Activities in Step 7**
- 7.1 Identify, collate and number all findings and recommendations
 - 7.2 Identify responsibilities and the timeframe for addressing recommendations
 - 7.3 Develop s.10 review report for use in Annual Report
 - 7.4 Refine and publish s.10 review within Annual Report

Activity	Description of requirements	Areas in Scope	Sources of Evidence
Activity 7.1	<p>Responsibilities for addressing recommendations.</p> <p>Ensure all findings and recommendations are numbered or lettered in a systematic and unique way, enabling their future reference in implementation, responsibilities and reporting. Once the Panel has agreed on the findings and recommendations and the report has been finalised there will need to be consultation on the implementation of the report’s recommendations. This will include adapting workplans and ensuring that implementation is undertaken at the appropriate time. Discussions may need to include DPIE-W, WaterNSW, NRAR and NRC, particularly the latter if further investigations are required.</p>		
Activity 7.2	<p>Developing s.10 review report for use in Annual Report.</p> <p>Once agreement has been reached on the recommendations then the report can be made ready for publication within the Department’s annual report. The Department will need to decide on the content of the report and how best to integrate it into the Department’s annual report. Given the breadth and range of the content that will be of interest to a range of audiences, it is recommended that the report be either:</p> <ul style="list-style-type: none"> • Developed as a stand-alone report with an extended summary published in the Department’s annual report. • Developed as a suite of reports about each of the major Functions with an overarching summary published in the Department’s annual report. The Function reports could be 		

Activity	Description of requirements	Areas in Scope	Sources of Evidence
	<p>provided to the relevant areas and included in the Department’s evaluation program.</p> <p>In either case, development of the summary will require consolidation of the content and consideration will need to be given to how the content of the main report will be made available to support the content of the Annual Report</p>		
Activity 7.3	<p>Refining and publishing s.10 review within Annual Report.</p> <p>The content to be incorporated into the Annual Report will need to be refined to ensure it aligns with broader messaging and content of the annual report. There will also need to be refinement of pictures and figures to ensure they conform with the report’s style manual.</p>		



Attachment 3. Rubrics

The rubrics presented here can be used to support planning decisions about the content of the report (Rubrics 1-5) or about the best information sources to be used (Rubrics 6a & 6b). It is anticipated that as situations change, the Rubrics may need to be adapted to accommodate new information or criteria. It should also be noted that they are designed as support tools and should only be used to guide decisions.

Rubric 1. Assessing the importance of changes to context

This rubric is design to support an assessment of changes in context on reporting priorities. Six contextual changes are listed in the first column, each of which may influence the Department’s role, priorities, or available resources. Using the Table 3-1 scoring system and adding the scores for each criterion for each of the Plans or areas of activity for the Department, it is possible to identify those areas that have been:

- High priority and should therefore be included.
- Low priority risks faltering implementation that the report provides an opportunity to contextualise.

Table 3-1. Rubric 1 outlines the assessment of changes in context

Context	Criteria	Water Sharing & Use	Floodplain	Controlled activities	Drainage	Aquifer interference	New Policy	Strategies	Other		
Legislative change	Role Priority Resources										
New Initiatives	Role Priority Resources										
MoG	Role Priority Resources										
Risk Management (e.g., Drought, Flood, Giardia)	Capacity Priority Resources										
Implementation Maturity	Need Priority Resources										
Other	Capacity Priority Resources										
<i>Scoring:</i>		Illustration of the scoring system for the three criteria considered in Rubric 1. >> large reduction, > reduction, = constant, < increase, << large increase.									
							>>	>	=	<	<<
						Role	-2	-1	0	1	2
						Priority	-2	-1	0	1	2
						Resources	-2	-1	0	1	2

Rubric 2. Assessing implementation of Act parts

This rubric is design to support planning of Steps 3 and 4. Five criteria are listed in the first column, each of which influence prioritisation of material for inclusion in the report. Using the scoring system and adding the scores for each criterion for each of the areas of activity for the Department provides a prioritised list.

This rubric (Table 3-2) is comprised of a table to guide scoring when there are three sub-criteria and two sub-criteria, and the rubric that includes five criteria that can be applied to major areas of Departmental activity.

Table 3-2. Rubric 2 to assess the implementation of the Act and scoring system for implementation

Criteria	Sub-criteria	Water Sharing & Use	Floodplain	Controlled activities	Drainage	Aquifer interference	New Policy	Strategies	Other																	
Context	Rubric 1 Outcome																									
Resources Invested	Human, Financial	0 - 2 = Low priority 3 - 4 = Medium priority 5 - 6 = High priority																								
Impact	Magnitude, Area influenced, % water resource	0 - 3 = Low priority 4 - 6 = Medium priority 7 - 9 = High priority																								
Risk	Likelihood, Consequence	0 - 2 = Low priority 3 - 4 = Medium priority 5 - 6 = High priority																								
Resources required to review	Human, Time, Financial	0 - 3 = Low priority 4 - 6 = Medium priority 7 - 9 = High priority																								
Scoring:		illustration of the scoring system for implementation areas that have three criteria in Rubric 2. H=High, M=Medium, L=Low.					<table border="1"> <thead> <tr> <th>Criteria</th> <th>L</th> <th>M</th> <th>H</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>B</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>C</td> <td>1</td> <td>2</td> <td>3</td> </tr> </tbody> </table>				Criteria	L	M	H	A	1	2	3	B	1	2	3	C	1	2	3
		Criteria	L	M	H																					
A	1	2	3																							
B	1	2	3																							
C	1	2	3																							
illustration of the scoring system for implementation areas that have two criteria in Rubric 2. H=High, M=Medium, L=Low.					<table border="1"> <thead> <tr> <th>Criteria</th> <th>L</th> <th>M</th> <th>H</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>B</td> <td>1</td> <td>2</td> <td>3</td> </tr> </tbody> </table>				Criteria	L	M	H	A	1	2	3	B	1	2	3						
Criteria	L	M	H																							
A	1	2	3																							
B	1	2	3																							

Rubric 3. Processes and Procedures

This rubric is design to support planning for Step 4 of the Review Method. It enables prioritisation of processes and procedures for inclusion in the report. This forms part of the procedural assurance that decisions give effect to the Principles. The rubric includes four criteria each with three sub-criteria that seek to identify the resources invested, its implementation, contribution to the Principles and Risks. The final criteria are the feasibility of reviewing the process.

Table 3-3. Rubric 3 assessment of processes for inclusion

Works and activities		Planning	Implementation	Regulation & Compliance	Adaptive Management	
Resources invested	Human, Time, Financial			0 - 3 = Low priority 4 - 6 = Medium priority 7 - 9 = High priority		
Variance from expected maturity	Quality Time Resources			0 - 3 = Low priority 4 - 6 = Medium priority 7 - 9 = High priority		
Contribution	Objects, Principles Instruments			0 - 3 = Low priority 4 - 6 = Medium priority 7 - 9 = High priority		
Risk	Principles Instruments, Integrity			0 - 3 = Low priority 4 - 6 = Medium priority 7 - 9 = High priority		
Capacity to Report	Information and access			0 - 2 = Low priority 3 - 4 = Medium priority 5 - 6 = High priority		

Rubric 4. Works

Rubrics 4 and 5 are designed to support planning for Step 5 of the Review method. They represent one input to the planning process but consideration should also be given to the risks that decisions made within the processes and procedures already reviewed will give effect to the Principles in the ways the Process or Procedure specified.

Rubric 4 enables prioritisation of Works and Decisions. This rubric is designed to support prioritisation of works for inclusion in the report. The prioritisation is made against the Act's eight general principles with Principles (2a) and (2b) and (2e) and (2f) being combined as the pairs both refer to environmental or cultural values, respectively. Three criteria are considered within each Principle.

1. Contribution: the progress the works make to achievement of Principles and Targets. This is currently framed in terms of the spatial scale influenced by the works, but this can be adapted if there is a more appropriate measure.
2. Impact: the amount of change (positive or negative) affected by the works in the area in which it is undertaken.
3. Risk: the effect of the works on risks posed to the values embodied in the Principle.

The rubric currently lists the Plans areas that involve works on the assumption that the prioritisation will be first undertaken at this scale and then, if it appears that there are too many works to include in the report, the Rubric can be adapted for individual works within each Plan area.

Table 3-4. Rubric 4 work and activities for inclusion in the review. Heading titles are indicative only and will need to be adapted to suit the application. For example, in some instances, Infrastructure may be better labelled as State Significant Infrastructure or proposed Floodplain works.

Works and activities	Infrastructure	Floodplain works	Controlled activities	Drainage works	Aquifer interference
Principles 1 & 2 Water Sources & Environment	<p>Contribution: 0-2 = one ecosystem 3-4 a few local ones 5-6 landscape scale</p> <p>Impact: 0-2 = environmental (negative) impact detected 3-4 = no net environmental loss 5-6 = environmental benefit provided (rehab project)</p> <p>Risk 0-2 environmental risk is increased. 3-4 environmental risk no change 5-6 risk decreased</p>				
Principle 3 Water Quality	<p>Contribution: 0-2 = one water source 3-4 several regional water sources 5-6 = widespread (landscape) scale</p> <p>Impact: 0-2 = water quality (negative) impact detected 3-4 = no net change in water quality 5-6 = benefit provided (rehabilitation or risk management project)</p> <p>Risk 0-2 risk increased to environmental, cultural, social, or economic values/benefits. 3-4 no change to risks 5-6 risks decreased</p>				
Principle 4. Cumulative Impact	<p>Contribution: 0-2 = risks reduced in one water source 3-4 = risks reduced in several regional water sources 5-6 = risks reduced over large (landscape) scale</p> <p>Impact: 0-2 = decrease in water sharing, community partnership or best practice (D-H) 3-4 = no net change water sharing, community partnership or best practice 5-6 = improved water sharing, community partnership or best practice</p>				

Works and activities	Infrastructure	Floodplain works	Controlled activities	Drainage works	Aquifer interference	
	<p>Risk 0-2 risk to benefits increased. 3-4 no change to risks 5-6 risks decreased</p>					
Principle 5 & 6 Cultural	<p>Contribution: 0-2 = local (1 nation/community) 3-4 = several (<3) nations/communities 5-6 = multiple nations/communities (>4)</p>					
	<p>Impact: 0-2 = cultural (negative) impact detected 3-4 = no net cultural impact 5-6 = cultural benefit provided</p>					
	<p>Risk 0-2 = risks increased to rights or environmental values 3-4 = no change to risks 5-6 = risk decreased</p>					
Principle 7 Social & Economic	<p>Contribution: 0-2 = local (1 community) 3-4 = several (<3) communities 5-6 = communities (>4)</p>					
	<p>Impact: 0-2 = negative social or economic impacts detected 3-4 = no net social or economic impacts 5-6 = social or economic benefits provided</p>					
	<p>Risk 0-2 = risks increased to cultural, rights or environmental values 3-4 = no change to risks 5-6 = risk decreased</p>					
Principle 8. Adaptive Management	<p>Contribution: 0-2 = MERI in place for one water source 3-4 = MERI in place for several regional water sources 5-6 = MERI widespread (landscape)</p>					
	<p>Impact: 0-2 = MERI arrangements absent or residual 3-4 = MERI implemented 5-6 = MERI implemented with evidence of improved knowledge and decision making</p>					
	<p>Risk 0-2 = MERI absent or residual 3-4 = MERI in place but does not contribute to risk management 5-6 = MERI contributes to risk management</p>					

Rubric 5. Decisions

This rubric is design to support prioritisation of decisions for inclusion in the report. The rubric is essentially the same as Rubric 3, although some of the criteria have been changed to ensure they are appropriate. For all but Principle 3, the sole criteria is contribution: the contribution the decisions make to achievement of Principles and Targets.

For the cumulative impact principle, the criteria focus on the risks to water sources and the environment, cultural values and water rights and licences. Like Rubric 4, Rubric 5 currently lists the Plans areas that involve decisions on the assumption that the prioritisation will be first undertaken at the Plan scale and then, adapt the Rubric for specific decision areas or types.

Table 3-5. Rubric 5 assessment of decision making.

Decisions	Water Sharing	Water Use	Floodplain	Drainage	Aquifer	Controlled
Principles 1 & 2 Water Sources & Environment	Contribution: 0-2 = small (change, area, volume of water) 3-4 = medium (change, area, volume of water) 5-6 = large (change, area, volume of water)					
Principle 3 Water Quality	Contribution: 0-2 = one water source 3-4 several regional water sources 5-6 = widespread (landscape) scale					
Principle 4. Cumulative Impact	Water Sources & Environment: 0-2 = risks increased 3-4 = risks remain constant 5-6 = risks reduced					
	Cultural: 0-2 = risks increased 3-4 = risks remain constant 5-6 = risks reduced					
	Rights, Licences and Sharing arrangements 0-2 = risks increased 3-4 = risks remain constant 5-6 = risks reduced					
Principle 5 & 6 Cultural	Contribution: 0-2 = small (change, area, no. of assets) 3-4 = medium (change, area, no. of assets) 5-6 = large (change, area, no. of assets)					
Principle 7 Social & Economic	Contribution: 0-2 = small (change, area, population, industries, volume of water) 3-4 = medium (change, area, population, industries, volume of water) 5-6 = large (change, area, population, industries, volume of water)					

Rubric 6a and 6b. Assessing information sources

The rubric 6a provides guidance on the source of information to seek to develop the report. The most accessible and valuable information sources will be those generated by the Plan Audit and Review processes, while interviews provide a fallback if other sources of information are not accessible.

Table 3-6a. Rubric 6a. Information Sources for Work and Activities

No	Question	Yes – Response	No – Response (or require further detail)
1	Is the work or activity covered by a Plan?	Go to Question 2	Go to Question 3
2	Has the Plan been audited or reviewed?	Use audit or review information in report	Go to Question 3
3	Is the work or activity informed by a policy/manual or implementation program?	Use policy/manual to evaluate application of principles	Go to Question 4
4	Is the work or activity complementary to the Act (e.g., strategy)?	Report on application of principles	Go to Question 5
5	Is the work or activity the subject of existing reporting processes?	Aggregate report information	Go to Question 6
6	Do you have access to information on relevant work and activities?	Review a representative sample of work or activity decisions to identify application of principles	Interview key people (Flag as an area of improvement)

Rubric 6b provides guidance on the source of information to seek to develop the report. The most accessible and valuable information sources will be those generated by the Plan Audit and Review processes, while interviews provide a fallback if other sources of information are not accessible.

Table 3-6b. Rubric 6b. Information Sources for Processes

No	Question	Yes – Response	No - Response
1	Is the work or activity covered by a statutory Plan?	Go to Question 2	Go to Question 3
2	Has the Plan been audited or reviewed?	Use audit or review information in report	Go to Question 3
3	Is the process informed by a policy/manual?	Use policy/manual to evaluate application of principles	Go to Question 4
4	Is the process well documented?	Use process documentation. Complete assessment form	Go to Question 5
5	Are process outputs a good indicator of the process?	Use process outputs	Interview key people (Flag as an area of improvement)



Attachment 4. Assessment tables

To assist with the implementation of the s.10 review three tables have been developed to guide the implementation of the method. These tables are examples that can be used in the implementation of the method and can be amended or replaced for the process if required. They are designed to be used in order, and the process may be able to be iterated if required. The tables can be used in the following process.

Each of the tables have an input location for the region the evidence covers and the region it acts as the indicator for. For example, if the Lower Namoi Floodplain Management plan is reviewed, the region the plan covers would be the Lower Namoi, but it can act as an indicator source for the North West floodplain management functions.

Table 4-1

- Designed to be use in Step 2, Activity 2.3
- Use to collate the primary expected evidence sources for the review, and the principles they are expected to show effectively giving effect to the principles
- The rubrics in the method can be used here to help prioritise the evidence sources
- The table allows for a priority level to be assigned. This allows for the prioritisation rubrics of the review method to assist with the sampling of process to ensure efficiency of the review

Table 4-2

- To be used over method Steps 3 to 6 to assess the plans or decision-making tools used to give effect to the principles
- The table should detail if the decision-making tool links to the principles, detailing the specific principles of the Act
- Relevant decisions that the tool informed are then detailed to show that the tool have been effective in giving effect to the principles

Table 4-3

- As part of the Step 7 synthesis of results.
- The table allows the specific evidence sources that are shown to be effectively giving effect to the principles

Table linkage

- Table 4-2 contains a space for the inclusion of a reference number for the review of the evidence source. This allows the easy cross referencing of the supporting evidence to the findings
- Once the process has been completed with the first selection of evidence, there may still be gaps in Table 4-3. This may be through no evidence collated for a certain principle or in a certain region. The process may then be able to be repeated, targeting the missing principles or regions.

Table 4-1. Assessment of evidence sources

Item	Evidence source	Expected Principles	Region sampled	Region indicated	Priority level	Assessment table reference
1						
2						
3						
4						
5						
6						
7						
8						

Table 4-2. Evidence source assessment

Item	Assessment		Notes	Method Step
1	Evidence			Step 3
2	Reference	<i>Use reference code, CM9 reference or similar</i>		
3	Evidence Type (plan)		<i>Plan, Guideline etc</i>	
4	Priority Level			
5	Reporting Period		<i>Note: must be within the review period</i>	
6	Evidence region		<i>Region that the evidence source applies to</i>	
7	Indicator region		<i>Region that the evidence source acts as an indicator</i>	
8	Confidence level		<i>Confidence level in evidence source</i> <i>High/ Medium/ Low</i>	
9	What is the objective of the evidence source?			
10	Is there a review and/or audit requirement under the Act		If YES, answer item 10 If NO a review will need to be conducted to assess if the evidence gives effect to the principles	
11	Review source	<i>NRC s.44, s 43A, DPIE Water s.43 etc</i>		

12	Does the evidence source align with one or more of the principles			
13	Is there a risk to the other principles			
Link to Principles				
14	Relevant principle groups	<input checked="" type="checkbox"/> General <input type="checkbox"/> Water sharing <input type="checkbox"/> Water use <input type="checkbox"/> Drainage management	<input type="checkbox"/> Floodplain management <input type="checkbox"/> Controlled activities <input type="checkbox"/> Aquifer Interference	Step 5
15	Principles given effect to	Principle		Assessment from review
		(2)(a)	water sources, floodplains and dependent ecosystems (including groundwater and wetlands) should be protected and restored and, where possible, land should not be degraded	<i>Detail the reviews finding for if the evidence source gave effect to the principle</i>
		(2)(b)	habitats, animals and plants that benefit from water or are potentially affected by managed activities should be protected and (in the case of habitats) restored	

		(2)(c)	the water quality of all water sources should be protected and, wherever possible, enhanced		
		(2)(d)	the cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, should be considered and minimised		
		(2)(e)	geographical and other features of Aboriginal significance should be protected		
		(2)(f)	geographical and other features of major cultural, heritage or spiritual significance should be protected		
		(2)(g)	the social and economic benefits to the community should be maximised		
		(2)(h)	the principles of adaptive management should be applied, which should be responsive to monitoring and improvements in understanding of ecological water requirements		
			<i>List the principles in the addition selected groups in item 10 that the evidence source links to for assessment</i>		

Given effect					
16	E.g. Implementation manual(s)	Insert details on implementation guidelines, manual etc. Add more space if more than one document informs the decision making that links to the evidence source			Step 5
16.01		Include detail on how the manual links the decisions to the plan and if it is effective			
Detail the decisions/actions					
17	Decisions	Detail	Does the decision give effect to the evidence source?		
17.01	Use this section to provide detail on a subset of the decisions made to give effect to the evidence source				Step 5
17.02	Add more rows as required				
18	Consultation feedback				
18.01	Detail the evidence provided in consultation relevant to the evidence source				

18.02	Add more rows as required			
Plan assessment				
Principle	Dealt with (from the review)	Effectively given effect by the decisions	Overall assessment	Step 6
(2)(a)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(b)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(c)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(d)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(e)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(f)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(g)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
(2)(h)	<input type="checkbox"/> Yes / <input type="checkbox"/> Partial / <input type="checkbox"/> No			
Add as relevant				

Table 4-3. Collation of findings

Principle		Evidence Source	Assessment Reference <i>Use reference code or CM9 reference</i>	Region Sampled	Region Indicator	Assessment <i>Complete using evidence from plan assessments</i>	Confidence Level	Overall assessment
(2) Generally -								
(a)	water sources, floodplains and dependent ecosystems (including groundwater and wetlands) should be protected and restored and, where possible, land should not be degraded						High/ Medium/ Low	Tick/cross, to show effectively giving effect
(b)	habitats, animals and plants that benefit from water or are potentially affected by managed activities should be protected and (in the case of habitats) restored							
(c)	the water quality of all water sources should be protected and, wherever possible, enhanced							
(d)	the cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, should be considered and minimised							
(e)	geographical and other features of Aboriginal significance should be protected							
(f)	geographical and other features of major cultural, heritage or spiritual significance should be protected							

Principle		Evidence Source	Assessment Reference <i>Use reference code or CM9 reference</i>	Region Sampled	Region Indicator	Assessment <i>Complete using evidence from plan assessments</i>	Confidence Level	Overall assessment
(g)	the social and economic benefits to the community should be maximised							
(h)	the principles of adaptive management should be applied, which should be responsive to monitoring and improvements in understanding of ecological water requirements							
(3) In relation to water sharing								
(a)	sharing of water from a water source must protect the water source and its dependent ecosystems							
(b)	sharing of water from a water source must protect basic landholder rights							
(c)	sharing or extraction of water under any other right must not prejudice the principles set out in paragraphs (a) and (b)							
(4) In relation to water use								
(a)	water use should avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land should be rehabilitated							
(b)	water use should be consistent with the maintenance of productivity of land in the long term and should maximise the social and economic benefits to the community							

Principle		Evidence Source	Assessment Reference <i>Use reference code or CM9 reference</i>	Region Sampled	Region Indicator	Assessment <i>Complete using evidence from plan assessments</i>	Confidence Level	Overall assessment
(c)	the impacts of water use on other water users should be avoided or minimised							
(5) In relation to drainage management								
(a)	drainage activities should avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land should be rehabilitated							
(b)	the impacts of drainage activities on other water users should be avoided or minimised							
(6) In relation to floodplain management								
(a)	floodplain management must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated							
(b)	the impacts of flood works on other water users should be avoided or minimised							
(c)	the existing and future risk to human life and property arising from occupation of floodplains must be minimised							

Principle		Evidence Source	Assessment Reference <i>Use reference code or CM9 reference</i>	Region Sampled	Region Indicator	Assessment <i>Complete using evidence from plan assessments</i>	Confidence Level	Overall assessment
(7) In relation to controlled activities								
(a)	the carrying out of controlled activities must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated							
(b)	the impacts of the carrying out of controlled activities on other water users must be avoided or minimised							
(8) In relation to aquifer interference activities								
(a)	the carrying out of aquifer interference activities must avoid or minimise land degradation, including soil erosion, compaction, geomorphic instability, contamination, acidity, waterlogging, decline of native vegetation or, where appropriate, salinity and, where possible, land must be rehabilitated							
(b)	the impacts of the carrying out of aquifer interference activities on other water users must be avoided or minimised							



Attachment 5. Alignment with other MER requirements

Alignment with other MER processes

The s.10 Review will need to be consistent with the water management Plans MER plans as both Plans and the Review are elements of the Act's Adaptive Management Framework to facilitate achievement of the Act's objects and principles. The s.10 Review will also be dependent on the information generated by Plans' MER.

MER frameworks and plans

MER frameworks developed for water management plans provide an opportunity to align data collection and reporting between both the s.10 review and the broader Plan evaluations. The Plan MER frameworks set a consistent process for tracking achievement of short-term outcomes and progress towards long-term outcomes across the range of water-related values, benefits and pressures in water management areas. The frameworks also consider the many required reviews and audits specified in sections 10, 51, 43a and 44 of the Act. The recently developed NSW WSP MER Framework demonstrates how the requirements for review and audit of WSPs can be mapped to the Plan logic (Figure 5-1) to assist with identifying any gaps, and where key evaluation questions could be aligned directly to Act requirements to enable efficient evaluation processes.

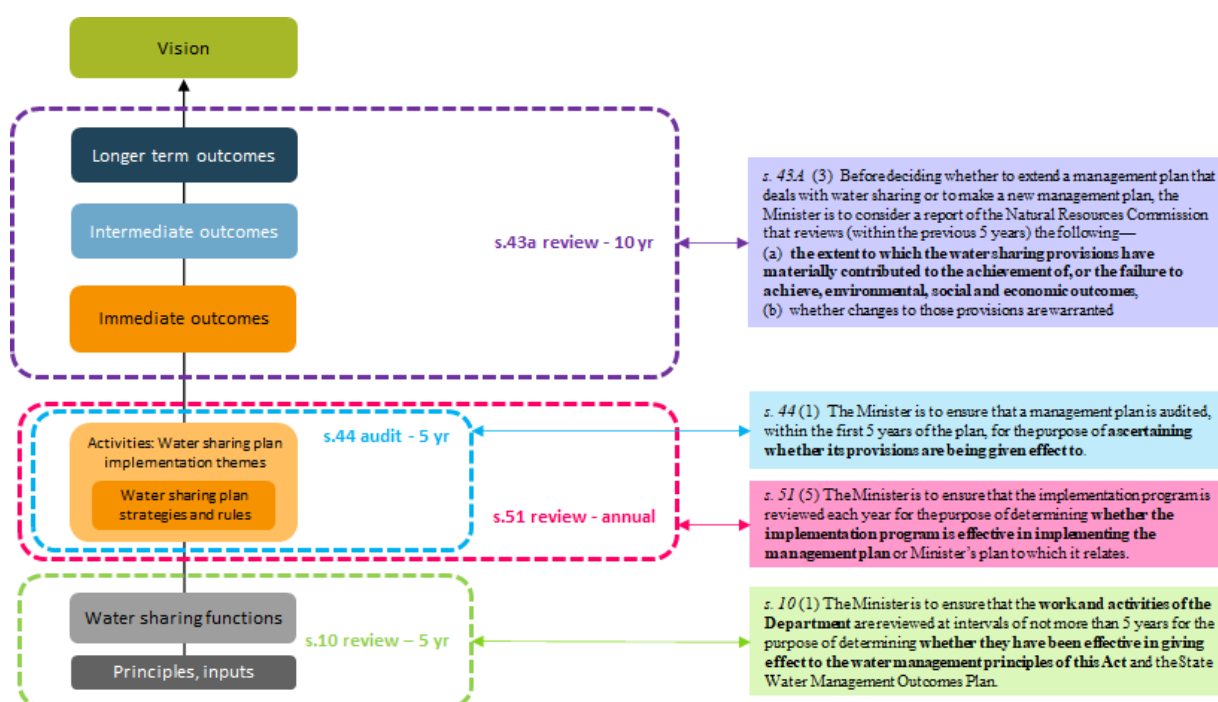


Figure 5-1. Review and audit requirements of the Act in relation to Water Sharing Plans, shown mapped to the program logic hierarchy. Required reviews and audits are specified in sections 10, 51, 43a and 44 of the Act, and are shown in the text boxes to the right of the diagram.

At the time of writing this review method, other water management MER frameworks were still in development (including the Water Resources Strategy MER). To help meet the needs of the s.10 review, it will be important that all Plan MER frameworks include:

- **program logic/s** that link Plan provisions to the principles, and
 - **key evaluation question/s** that relate to s.10 review needs
- For example, a KEQ in the Water Sharing Plan MER framework is “To what extent does implementation of Plan parts give effect to the water management principles?”. Addressing this question in the WSP MER framework will enable data and information to be provided to the s.10 review of department works and activities every 5 years. This question will also identify improvements regularly to internal processes of the Department that can be improve the way in that principles are given effect.

It is expected that the evaluations undertaken by DPIE-Water under the Plan MER will be directly relevant and inform the s.10 review. If the Review finds that program logics are absent or inconsistent among Plans, then this should be included as a finding.

Implementation programs

In addition to the broader Plan MER frameworks, the implementation programs being established for management plans provide another opportunity to align with s.10 requirements. Under s.51 of the Act, a program for implementing a management plan can be established. These implementation programs must be reviewed each year for the purpose of determining whether the program is effective in implementing the management plan (s.51 (5)). Implementation programs are currently being established for water sharing plans in 12 theme areas:

1. Water access license
2. Basic Landholder rights
3. Limits to the availability of water
4. Environmental water
5. Monitoring, evaluation and reporting
6. System Operation Rules
7. License and approval conditions
8. Extraction conditions
9. Water supply works approvals
10. Town water requirements
11. Water dealings
12. Plan lifecycle support

The detailed documentation for each theme implementation plan is expected to include an annual work plan, the processes and procedures for implementing themes, measures to track success of implementation and the risks, constraints, and key documents. Both the annual theme work plans and the reporting on effectiveness of the implementation program will be important inputs to the s.10 review evidence base. Clear documentation of the alignment of water management principles to each implementation theme will be important to include to improve their utility in the s.10 review.

Alignment with obligations in the Act

Section 16 of the Act requires that the Act's water management Plans are consistent with other legislation and policy, including:

- a) the State Water Management Outcomes Plan (when current), and
- b) any State environmental planning policy under the Environmental Planning and Assessment Act 1979, and
- c) any protection of the environment policy under the Protection of the Environment Operations Act 1997, and
- d) any regulation under the Water NSW Act 2014 or the Googong Dam Catchment Area Act 1975, and
- e) State government policy, including State government policy in relation to the environmental objectives for water quality and river flow. Within this context State government policy such matters as are declared by the regulations to be State government policy.

In some areas (e.g. Drainage) it is these provisions that have led to implementation in the absence of a Plan.

The Act specifies six types of Management Plans to be developed, but also provides the Minister with the option to direct a committee to develop a Plan for any aspect of water management. The specified Plans are established for a period of 10 years (s. 43). The Act requires that each management plan be audited by the NRC within 5 years of commencement and reviewed at year 5 (excluding water sharing plans) or within the last 5 years of term (water sharing plans). After 10 years a plan may be extended, or a replacement plan may be developed.

All water plans need to include a vision, objectives, strategies for achieving the objectives and performance indicators to measure the success of the strategies (s 35.1). The plans may also specify the kinds of monitoring and reporting that should be imposed as conditions of approvals (s. 17). The Floodplain Harvesting Measurement Policy (2020) and Non-urban Water Metering Framework (2018) are currently being implemented and these will lead to cloud storage for water-take data. These requirements provide the foundation of a MER program in line with Principle H (adaptive management), however, they do not ensure that the data will be available to support Plan evaluation.

At the level of the Act, the Department is required under the Annual Reports (Departments) Act 1985 to report on the Minister’s work and activities under the Act, and may also include the annual report prepared for the Ministerial Corporation and WaterNSW under the Annual Reports (Statutory Bodies) Act 1984.

Five years after the assent of the Act, and every five years after that, the Minister is to review the Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.

Opportunities to align timing and obtain inputs from other MER processes to the s.10 review

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
The Act													
Basin Plan (Annual)													
Department Annual Report													
NSW State of the Environment													
Basin Plan 5 year													
Ramsar													
Biodiversity Conservation													

Alignment with other legislation and obligations

NSW has a number of other legislative and formal reporting obligations. This section provides a brief summary of some of the main commitments.

Basin Plan

The Basin Plan places a number of monitoring and reporting requirements on NSW. These are summarised in Table 5-1. There is close alignment between Basin Plan reporting requirements and those of the Act and in several instances Basin Plan reporting requires that other agencies (e.g. CEWO, MDBA) generate data that could be used to inform NSW reporting. Examples include Basin scale environmental condition and given that the majority of environmental watering actions are undertaken collaboratively; much of the CEWO MER program data could also be used to support NSW reporting.

Table 5-1. Summary of Basin Plan reporting requirements and their links to the Act Objects and Principles. The majority of five-year reporting commitments, next fall due in 2025. The light colours in the last column indicate areas where data is generated and made available by a non-NSW agency while dark colours represent areas where NSW is obliged to generate data. Green shades are relevant to environment or water quality, blue shades to water and salmon to socio-economic values.

Item	Matter	Reporter	Category	Basin Plan Chapter	Link to NSW WMA (2000)
Basin Plan as a whole					
1	The transparency and effectiveness of the management of the Basin water resources.	Authority	5 year	5	Object h
2	The protection and restoration of water-dependent ecosystems and ecosystem functions in the Murray-Darling Basin, including for the purposes of strengthening their resilience in a changing climate.	Authority	5 year	5	Principles a, b & c

Item	Matter	Reporter	Category	Basin Plan Chapter	Link to NSW WMA (2000)
3	The extent to which the Basin Plan has affected social, economic and environmental outcomes in the Murray-Darling Basin.	Department, Authority	5 year	5	Principle g
4	The effectiveness of the management of risks to Basin water resources.	Basin States, Authority	Annual	4, 5 and 10	Principles a - h
5	The transition to long-term average sustainable diversion limits.	Department	Annual	5 and 6	Water Sharing Implementation
6	The extent to which local knowledge and solutions inform the implementation of the Basin Plan.	Basin States, Authority, CEWH	Annual	6, 8 and 10	Object d
Environmental watering plan					
7	The achievement of environmental outcomes at a Basin scale, by reference to the targets in Schedule 7.	Authority, CEWH	5 year	8	Principles a, b & c
8	The achievement of environmental outcomes at an asset scale.	Basin States	5 year	8	Principles a, b & c
9	The identification of environmental water and the monitoring of its use.	Basin States, CEWH, Authority	Annual	8	Water Sharing, Water Use
10	The implementation of the environmental management framework (Part 4 of Chapter 8).	Basin States, CEWH, Authority	Annual	8	Water Sharing, Water Use
Water quality and salinity					
11	The fitness for purpose of the Basin water resources.	Authority	5 year	5 and 9	Object b
12	Progress towards the water quality targets in Chapter 9.	Basin States, Authority	5 year	9	Principle c
13	The implementation, where necessary, of the emergency response process for critical human water needs.	Basin States, Authority, Department	Annual	11	Principle c & g
14	The implementation of the water quality and salinity management plan, including the extent to which regard is had to the targets in Chapter 9 when making flow management decisions.	Basin States, Authority, CEWH	Annual	9	Principle c & g Water Use
Water trading rules					
15	The facilitation, by efficient and effective water markets, of tradeable water rights reaching their most productive use.	Authority	5 year	5 and 12	Principle g.
16	The implementation of water trading rules.	Basin States, Authority	Annual	12	Principle g
Water resource planning					
17	The certainty of access to Basin water resources.	Authority	5 year	5 and 10	Object e. Water Sharing
18	The efficiency and effectiveness of the operation of water resource plans, including in providing a robust framework under a changing climate.	Basin States, Authority	5 year	10	Object e. Water Sharing
19	Compliance with water resource plans.	Basin States	Annual	10	Object e. Water Sharing, Compliance
20	The prioritisation of critical human water needs.	Basin States	Annual	10 and 11	Object e. Water Sharing, Water Use
21	The accountability and transparency of arrangements for water sharing.	Basin States	Annual	10	Object e. Water Sharing, Compliance

Ramsar Convention

NSW has a number of responsibilities under the Ramsar convention that seeks wise use of all wetlands, but has more stringent requirements for listed wetlands of which NSW has fourteen (Figure 5-2). Under the Ramsar convention State and Territory Governments are responsible for:

- Wetland management legislation and policy
- Promoting the conservation of Ramsar sites and wise use of all wetlands

- Reviewing the condition of Ramsar sites
- Reporting on the status of wetlands in their jurisdiction, including coordinating and updating information (e.g. Ramsar National Report, updates to Ramsar Information Sheets and reporting any changes in ecological character)

There are a number of overlaps between the Act's and the Basin Plan's reporting requirements in terms of the protection and restoration of wetlands (Object b) habitats, animals and plants (Object c) and environmental condition of environmental assets (BP Matter 8).

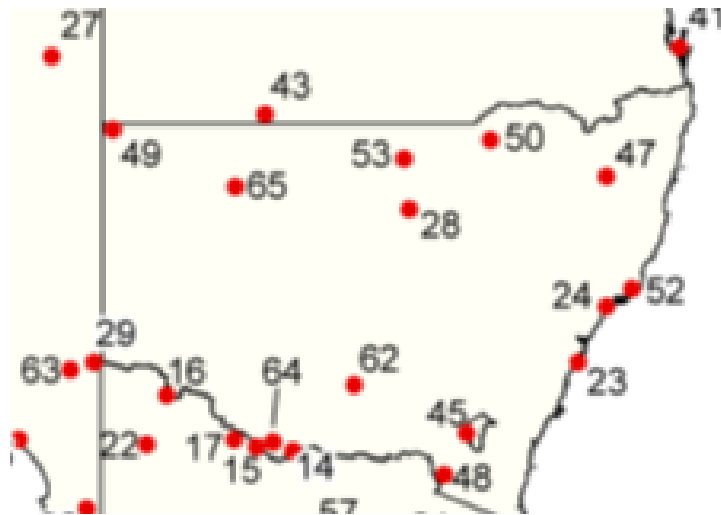


Figure 5-2. Map of Ramsar wetlands in NSW. 14 - Barmah Forest, 23 - Towra Point Nature Reserve, 24 - Hunter Estuary Wetlands, 28, The Macquarie Marshes, 49 - Lake Pinaroo (Fort Grey Basin), 45 Ginini Flats Wetland Complex, 47 - Little Llangothlin Nature Reserve, 48, Blue Lake, 49 - Lake Pinaroo (Fort Grey Basin), 50 - Gwydir Wetlands: (Gingham and Lower Gwydir (Big Leather) Watercourses), 52 - Myall Lakes, 53 - Narran Lake Nature Reserve, 62 - Fivebough and Tuckerbil Swamps, 64 - NSW Central Murray State Forests, 65 - Paroo River Wetlands.

Biodiversity Conservation Act 2016

The NSW Biodiversity Conservation Act (BCA) also seeks to achieve sustainable development goals through maintaining the diversity and quality of ecosystems, enhancing their capacity to adapt to change and provide for the needs of future generations. The areas of overlap between the Act and BCA (2016) is in protection of areas of outstanding biodiversity value which includes wetlands and floodplains (See Section 3.3.2). There are a large number of key threatening processes identified in Schedule 4 of the BCA (2016) that are known to affect the condition of aquatic ecosystems, including:

- Alteration to the natural flow regimes of rivers and streams and their floodplains and wetlands
- Habitat degradation and loss by Feral Horses
- Infection of frogs by amphibian chytrid causing the disease chytridiomycosis
- Invasion and establishment of the Cane Toad
- Loss and degradation of native plant and animal habitat by invasion of escaped garden plants, including aquatic plants
- Predation by *Gambusia holbrooki* Girard, 1859
- Predation by the European Red Fox *Vulpes vulpes* (Linnaeus, 1758)
- Predation by the Feral Cat *Felis catus* (Linnaeus, 1758)
- Predation, habitat degradation, competition and disease transmission by Feral Pigs, *Sus scrofa* Linnaeus 1758
- Removal of dead wood and trees

In a manner similar to Act, the BCA (2016) empowers the NSW government to assess and regulate projects that have the potential to affect threatened species and ecosystems. The agency is also expected to review the outcomes and effectiveness of the Biodiversity Conservation Program every 5 years after the establishment of the Program. Given that there is likely to be overlap in decision making, it is possible that making Act

information available to support endangered species reporting and vice versa would lead to improved reporting and understanding of the effectiveness of the complementary programs.

Environmental Planning and Assessment Act

Environmental Planning and Assessment Act 1979. The Objects of the Act are similar to those of the Water Act in that they seek sustainable development. For example, Object b is to “*facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment.*” The Act specifies the instruments to support planning, the assessment and approvals process and the need to undertake environmental impact assessments. There is overlap in the scope of the EP&A Act (1979) and the Act, as the Act includes Works that would also be covered by the EP&A Act. This includes State significant infrastructure which includes development for the purposes of railways, roads, pipelines, wharf or boating facilities, sewerage systems, stormwater management systems, water supply systems, waterway or foreshore management activities, flood mitigation works, public parks or reserves management and soil conservation works. All of these are within scope of the Act if they affect the environmental values of water dependent ecosystems.

Protection of Environment Operations Act

Protection of the Environment Operations Act 1997 is the responsibility of the Environment Protection Authority. The Act enables the Government to set out explicit protection of the environment policies (PEPs) and adopt more innovative approaches to reducing pollution. PEPs are instruments for setting environmental standards, goals, protocols and guidelines. They provide both the framework for Government decisions that affect the environment and the means of adopting Australia-wide environment protection measures set by the National Environment Protection Council. Before a protection policy can be made, the Act requires public consultation on the draft policy, and an analysis of its economic and social impact.

The Act also delegates the EPA as the regulatory authority for 48 categories of activities (specified in Schedule 1) including:

- Contaminated soil treatment
- Contaminated groundwater treatment
- Extractive activities
- Irrigated agriculture
- Livestock intensive activities
- Petroleum exploration, assessment and production

All of these and a number of others all fall within the scope of the Act. The EPA licences scheduled activities while local councils can regulate non-scheduled activities through notice and enforcement powers in their local government area. However, the EPA can issue a licence to regulate water pollution from a non-scheduled activity. If it does, the EPA becomes the regulator for all environmental impacts from the activity under the POEO Act instead of the local council.

The EPA licensing function has been integrated with the development approval procedures under the Environmental Planning and Assessment Act 1979 which ensures public participation in the environmental assessment of activities that may be licenced by the EPA.

WaterNSW Act

Water NSW Act 2014 (the Act) defines the functions and objectives of WaterNSW. The principal objectives of WaterNSW under the Act are:

- a) to capture, store and release water in an efficient, effective, safe and financially responsible manner, and
- b) to supply water in compliance with appropriate standards of quality, and
- c) to ensure that declared catchment areas and water management works are managed and protected so as to promote water quality, the protection of public health and safety, and the protection of the environment, and
- d) to provide for the planning, design, modelling and construction of water storages and other water management works, and

- e) to maintain and operate the works of WaterNSW efficiently and economically and in accordance with sound commercial principles.

The functions of WaterNSW under the Act are to capture, store and release water to entitled water users or for any other lawful purpose, including the release of environmental water. Their other functions include:

- construct, maintain and operate water management works
- protect and enhance the quality and quantity of water in declared catchment areas
- manage and protect declared catchment areas and water management works vested in or under the control of Water NSW.
- undertake flood mitigation and management
- undertake research on catchments generally, and in particular on the health of declared catchment areas.

Once again, WaterNSW functions under the Act overlap with the scope of the *Act*. In this instance, WaterNSW performs these functions in accordance with the Objects and Principles of the *Act* and associated water management plans.

State of environment reporting

The NSW State of the Environment 2018 is released under the provisions of the Protection of the Environment Administration Act every three years by the EPA. It describes the health of our environment state-wide. The report assesses the status and condition and trends of major environmental resources in NSW and describes pressures that affect the environment. The assessment is comprised of six themes one of which is Water and Marine, that is in turn comprised of assessments of water resources, river health, wetlands and groundwater.