



MINUTES COMMUNITY SERVICES AND PLANNING COMMITTEE

GWYDIR SHIRE COUNCIL

THURSDAY 12 APRIL 2018

COMMENCING AT 9.32AM

BINGARA OFFICE COUNCIL CHAMBERS

Present:

Councillors: Cr. John Coulton (Mayor), Cr. Catherine Egan (Deputy Mayor), Cr. Stuart Dick, Cr. Marilyn Dixon OAM, Cr. Geoff Smith, Cr. David Coulton and Cr Frances Young

Staff: Max Eastcott (General Manager), Leeah Daley (Deputy General Manager), Richard Jane (Director Technical Services) and Helen Thomas (Manager, Finance)

Public: Ms. L Carroll (*The Gwydir News*)

Visitor: Nil

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Chairman

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OFFICIAL OPENING AND WELCOME – MAYOR

APOLOGIES Cr. Jim Moore and Cr Tiffany Galvin

THAT the apologies of Cr. Jim Moore and Cr Tiffany Galvin are accepted.

(Moved Cr D Coulton, seconded Cr Egan)

PRESENTATION Nil

CALL FOR THE DECLARATIONS OF INTERESTS AND CONFLICTS OF INTEREST Nil

Item 1 Deliberative Panel - Road Service Levels

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.1 Financial management and accountability systems - CFO - internal

AUTHOR General Manager

DATE 4 April 2018

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends the noting of the Deliberative Panel's report and recommendations.

TABLED ITEMS Nil

BACKGROUND

The Council received grant funding to conduct a service level review for its roads and bridges operations. A component of this review was an initial phone survey followed by a Deliberative Panel meeting (report attached). Following the Deliberative Panel it is proposed to conduct a second phone survey to test the validity of the recommendations.

The attached report also contains the draft set of second survey questions. I have approved to the second phone survey questions with the following qualification:

My only suggestions would be in Q9 to ask for any other suggestions, and, to somehow seek some kind of qualitative assessment of the Council's current expenditure on Parks and Gardens and Arts and Culture.

I am a little concerned that the reasons that Gwydir differs from comparative Councils was not adequately conveyed to the Deliberative Panel participants for a more informed conclusion to be reached. For example regarding Parks and Gardens the Council's costs per hectare of land managed by Parks and Gardens is \$89 (compared to \$1,853 per hectare for rural NSW Councils) while the costs per resident is \$509

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(compared to \$109 medium cost NSW Councils). Gwydir manages significantly more land than many of the comparative Councils.

In the arts and culture area not many rural councils are lucky enough to have a Roxy complex, for example.

I suppose what I am saying is that sometimes what appears to be an easy mark isn't always the reality.

COMMENT

A more comprehensive report will be tabled for the Council's consideration following the results from the second phone survey.

OFFICER RECOMMENDATION

THAT the Deliberative Panel's report be received

ATTACHMENTS

AT- Report

COMMITTEE RECOMMENDATION TO COUNCIL:

THAT the Deliberative Panel's report be received.

(Moved Cr Young, seconded Cr Egan)

12 Apr
Deliberative

Ad
Re



Centre for
Local Government

Deliberative Panel Recommendations and Second Phone Survey Questionnaire

Roads Service Levels Public Engagement Project

Prepared for Gwydir Shire Council

Executive Summary

Overview

Gwydir Shire Council engaged the Centre for Local Government to deliver the Roads Service Levels Public Engagement Project. This project responds to recommendations of a community deliberative panel held in 2016 as part of Council's Special Rate Variation (SRV) application to the Independent Pricing and Regulatory Tribunal (IPART). The panel recommended Council engage the community on service levels, particularly roads, more broadly in the future. This was because panel members were concerned Council may face long-term financial pressures and, whilst they placed high levels of value on roads, they are a significant budget impost on Council.

The Roads Service Levels Public Engagement Project engaged the Gwydir community about roads service levels through: (1) a phone survey of views about and preferences towards roads; (2) a deliberative panel that represents the broad demographics of the Gwydir community and the perspectives expressed in the phone survey; and (3) a follow-up phone survey to test the advice provided by the panel with the broader community. The outcomes of this engagement will be detailed in a report for presentation to Council.

Key Observations

Road priorities

- People are happy with the quality of Council's urban / bitumen roads, and would prefer Council focus on improving Arterial / Collector gravel roads because of the important function they serve for the community (industry, tourism, getting kids to school etc.).
- Principles of ensuring safety and access were the main drivers of the focus on Arterial / Collector gravel roads. For example, many were concerned about the potential for truck and school bus accidents from sliding off the sides of these roads (which seem to take most of the truck / school bus traffic). For this reason, the group also advised Council to consider adopting a road widening service standard.
- For local / minor roads, there is a strong desire from farmers to help contribute to maintaining these roads, echoing the Gwydir community spirit to lend a hand. But there are some issues with the way Council's self-help program works to enable this – we have the details and can provide via the report.

Upgrading roads

- Most people understood Council's financial position and opted for a modest increase in service levels for gravel Arterial / Collector roads – eventually getting them to bitumen over next 15 years, and keeping all other road categories (incl. bitumen, local and minor) at the service levels they are at now.
- The group are aware Council is almost through its infrastructure backlog, so expect to see upgrades Arterial / Collector gravel roads starting in the near future. In terms of how to go about the upgrades, the group preferred Council to upgrade an entire road length at a time, rather than a kilometre here or a kilometre there as they recognise Council can achieve efficiencies by doing the whole road length at once.
- The group also advised Council needs to think about the thresholds used to categorise roads as minor / local / collector / arterial etc. so the right roads get the right service level according to their importance to the community.

Paying for road upgrades

- To pay for the modest increase in investment (rough calculations of about \$600k/year), the group advised Council to look for savings in parks / gardens, recreation / leisure, and museums, halls and galleries, and to ensure any profit Council makes from RMS road building contracts are hypothecated back to roads.
- The advice around parks / gardens, museums / galleries etc. is the same as the rate rise panel and tells us these service areas should be next cabs off the rank for service review. The amount Council spends in these areas seems unpalatable to the community.

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Summary of Recommendations

The table below provides a summary of the panel's recommendations and their rationale for each. These recommendations will be tested with the wider community through the second phone survey, outlined in the next section.

That Council increase spending on gravel arterial roads by about \$300,000 per year to bring them up to bitumen standard over the next 15 years	Gravel arterial roads need additional servicing because they benefit a large number of people and businesses, and are used by tourists and for heavy vehicles
That Council increase spending on gravel local roads by about \$200,000 per year to improve their condition	Gravel local roads require additional servicing because they are used by a large number of residents and school buses, as well as by industry
That Council increase spending on gravel collector roads by about \$100,000 per year to improve their condition	Gravel collector roads require additional servicing to ensure safety and access to arterial roads
That Council maintain current levels of spending on bitumen arterial, local and collector roads, as well as on regional roads	Gravel roads are the priority for increased servicing, and Council cannot afford to increase servicing of all classes of roads. The servicing of regional roads is funded and controlled by the state government
That Council reconsider thresholds used to classify roads , based on the function and relative importance of each road to the community	Reviewing the thresholds used to classify roads would enable greater alignment of service levels to community expectation
That Council allocate any profit earned from state road contracts to servicing Council roads	Allocating profit from state road contracts to Council roads would increase servicing of Council roads
That Council consider road widening and improved drainage as service standards	Road widening and improved drainage would improve the safety and overall condition of roads
That Council consider road education campaigns advising drivers to drive to the conditions	By driving to the conditions, drivers would reduce wear and tear on roads and increase safety
That Council promote the self-help program to farmers, and look at providing additional insurance	Promoting the self-help program and insuring participants would enable farmers to use their own equipment to maintain minor and local gravel roads outside their properties
That Council prioritise the road needs of residents and industry above tourists	Residents and industry are the main funders and users of roads in the area
That Council upgrade an entire road at once rather than kilometre-by-kilometre	Upgrading entire roads at once would enable greater economies of scale and therefore reduce the overall cost

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That Council fund increased roads service by seeking additional grants	Additional external funding would enable Council to provide increased roads service without reducing other services
That Council fund increased roads service by reducing Council administration offices from two to one , and reducing administration staff accordingly	Most of Gwydir Shire Council's peer councils have only one administration office
That Council fund increased roads service by identifying ways to increase efficiency	Increased efficiency would enable Council to increase service provision within its existing financial resources
That Council fund increased roads service by reducing arts and cultural services	Gwydir Shire Council currently spends significantly more on arts and cultural services than its peer councils
The Council fund increased roads service by reducing parks and gardens services	Gwydir Shire Council currently spends significantly more on parks and gardens services than its peer councils

Next Steps

In accordance with the Project Plan, this document provides the deliberative panel recommendations, as well as the draft questionnaire for the second phone survey (n=200), for Council's review.

We would be grateful for Council's comment on the questionnaire by COB on Monday 26th March 2018, so that we may commence the phone survey with a view to completion in early April.

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1 Deliberative Panel Process and Findings

1.1 Overview of Panel and Process

The deliberative panel included 17 community members. They were representative of the community in terms of demography, geography and attitudes/values to the extent possible. Panel members were elected from respondents to the first phone survey on roads (summarised in the previous section).

Workshops with the panel were held Saturday 3rd and Sunday 4th February 2018 at The Living Classroom in Bingara. The purpose of the workshops was to gain a deeper understanding of community values, needs and aspirations regarding roads, and to seek advice on service level options for each class of road.

Over the two days, background information was presented to the panel, including:

- **Details of the Gwydir community and Council context**
 - Demographic analysis
 - The local economy
 - Community Strategic Plan priorities
 - Contemporary issues in rural Australia
 - Benchmarking with peers
- **The Gwydir roads context**
 - Overview of Gwydir's roads
 - Definitions, images and service standards of Gwydir's road classes
 - Roads service levels
 - Benchmarking with peers
- **Accident data**
- **Findings of the first community phone survey on roads**
- **Options.**

Additionally, the panel was facilitated in discussions regarding:

- The big issues facing Gwydir
- Why roads are important
- Their impressions of roads
- Issues in relation to different road classes
- What the panel agrees on
- Where the funding should come from.

At the beginning of the first day, the panellists were asked to each complete a form indicating what they consider to be most important regarding roads for them and Gwydir, whether they consider current road service levels adequate or not, which class of roads Council should prioritise, and what service standard Council should provide (gold, silver, bronze or minimum).

At the end of the second day, the panellists were asked to complete a second form, again indicating what class of roads Council should prioritise and for what reason, and additionally indicating what level of

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service standard Council should seek to provide for each class of roads. Further, this post-workshop form asked that they indicate how Council should fund any increase in roads service provision.

This section provides a summary of the panel discussions and resulting recommendations, which are to be tested in the second phone survey. Overall, the panel agreed on the priority road classes, and recommended increased expenditure on gravel arterial, gravel local, and gravel collector roads.

1.2 Outcomes of Panel Discussions

1.2.1 Why Roads Are Important

The panel indicated that roads are important because of:

- Safety
- Access
- Comfort.

These principles were central to the panel's thinking in formulating their recommendations.

1.2.2 The Biggest Issues Facing Roads

The panel indicated the most significant issues facing roads are:

- Maintenance
- Construction
- Cost / funding.

1.2.3 The Biggest Issues Facing Gwydir

The panel indicated that the biggest issues facing Gwydir are:

- Financial sustainability & viability
- Sufficient population to sustain the area
- Diversification of industry
- Ageing population
- Unemployment
- Retention of young people
- Tourism
- Roads
- Cost of administration
- Threat of amalgamation.

1.2.4 Impressions of Roads

The panel expressed the following impressions of roads:

- Excellent job on surfaces repatch
- Acceptable conditions except isolated roads
- Lack of interest in back roads
- Maintained / surface condition
- No need for more bitumen

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- Width of roads
- Size of gravel / blue material
- Drainage
- Staging of upgrades
- Link to bypass – impact on town
- Impact of trucks
- Safety of main roads
- Lack of signage (i.e. road trains)
- Visitors' / driver safety.

1.2.5 Issues in Relation to Each Class of Road

The panel identified the following issues in relation to each class of road:

Arterial – Bitumen

- Current bronze / silver service level which needs to be maintained or with improvement
- Currently satisfied with condition with other classes being more a priority
- Do not want to go backwards to maintain safety
- Main tourist routes
- Main impact routes for productivity.

Arterial – Gravel

- Maintain current service level with no reduction
- These roads are more important than bitumen with increase in pressure for use in future
- Issue with condition of north roads
- Seal priority east / west routes – satisfied with only sealing 2 roads per year
- Arterial gravel more important than collector gravel.

Collector – Bitumen

- Satisfied with the minimum level
- This class is not a priority and less priority than collector gravel.

Collector – Gravel

- Currently silver service level which should be maintained with no reduction
- Gravel on some of these roads is bad and fixing these are more important than increasing bitumen
- Important for school bus routes
- Prioritise this class for widening.

Local – Gravel

- Satisfied with current bronze service level
- Important for school bus routes

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1.2.6 What the Panel Agreed On

The panel agreed on the following:

- Reconsider thresholds used to classify roads, based on the function and relative importance of each road to the community
- Any profit Council earns from RMS road contracts should be hypothecated to roads
- Consider road widening and improved drainage as service standards
- Consider road education campaigns advising drivers to drive to the conditions so as to reduce wear and tear on roads
- Promote the self-help program to farmers, and look at providing additional insurance so they can use their own equipment to maintain minor and local gravel roads outside their properties
- Prioritise the road needs of residents and industry above tourists
- Upgrade an entire road at once to achieve economies of scale, rather than kilometre-by-kilometre.

Finally, the panel agreed on the priorities and recommended increased expenditure on gravel arterial, gravel local, and gravel collector roads as outlined in the table below.

No.	Road Class	Recommended Increase
1	Arterial - Gravel	\$300,000
2	Local Roads - Gravel	\$200,000
3	Collector Roads - Gravel	\$100,000

1.2.7 Where the Funding Should Come From

The panel recommended that funding come from the following sources:

- Administration – staff
- #s admin. buildings
 - Duplicates – plant
 - Cost – comms.
 - Basic service shop front
- State \$ returned to roads
- Grants – tap into rail develop
- Advocate to State Government for \$
- Eff. gains of services
 - Parks and garden
 - Halls and performing arts
 - Use of comm. labour
 - Clubs sponsorship / volunteer
- Income generation of 'roxy' and caravan park

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- Break even
- Loans to ↑ service
- Report back on additional spend / delivery plan.

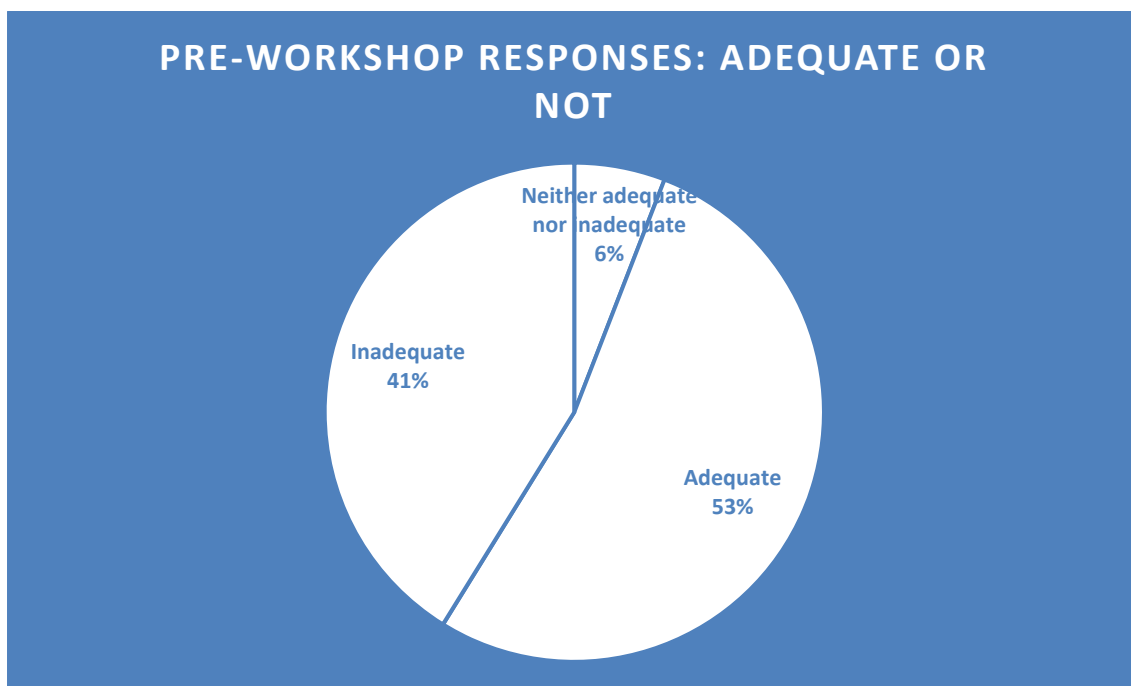
1.3 Panellists' Written Responses

1.3.1 Pre-Workshop Responses

At the beginning of the first workshop, the panellists were asked to each complete a form indicating what they consider most important about roads for them and for Gwydir, whether they consider current road service levels to be adequate or not, which class of roads Council should prioritise, and what service standard Council should seek to provide (gold, silver, bronze or minimum). Below is a summary of key findings.

Adequate or Not (n=17)

9 panellists indicated that current road service levels are adequate; 6 indicated they are inadequate; and 1 indicated they are neither adequate nor inadequate.

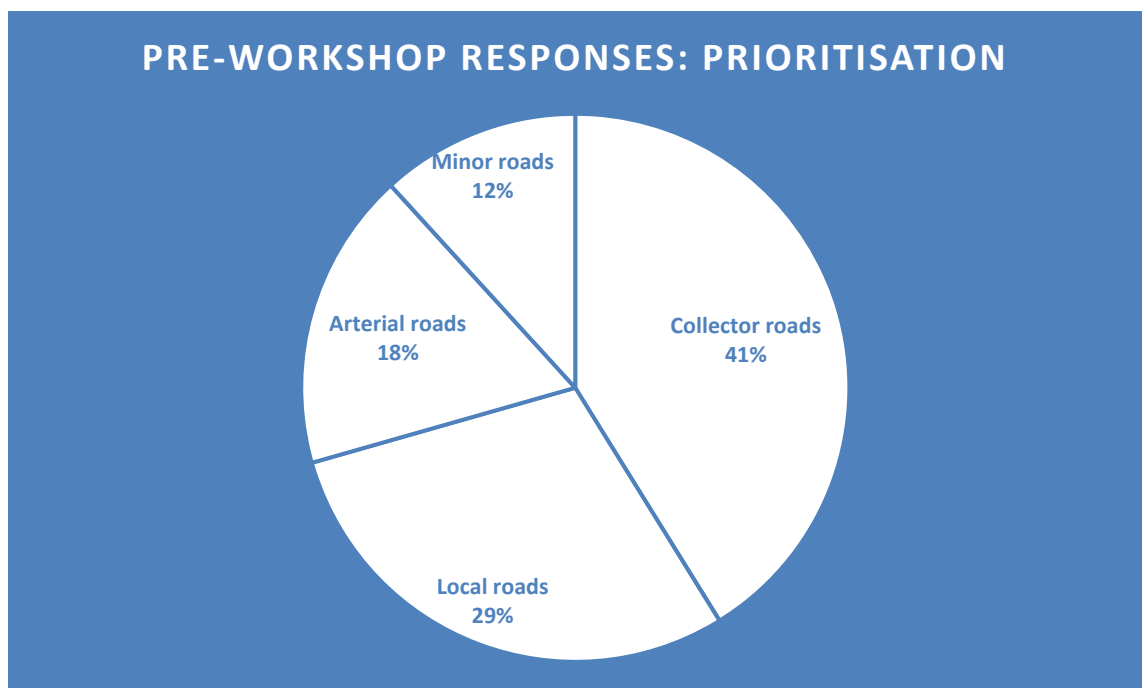


Prioritisation (n=17)

7 panellists indicated that Council should prioritise collector roads; 5 indicated local roads; 3 indicated arterial roads; and 2 indicated minor roads.

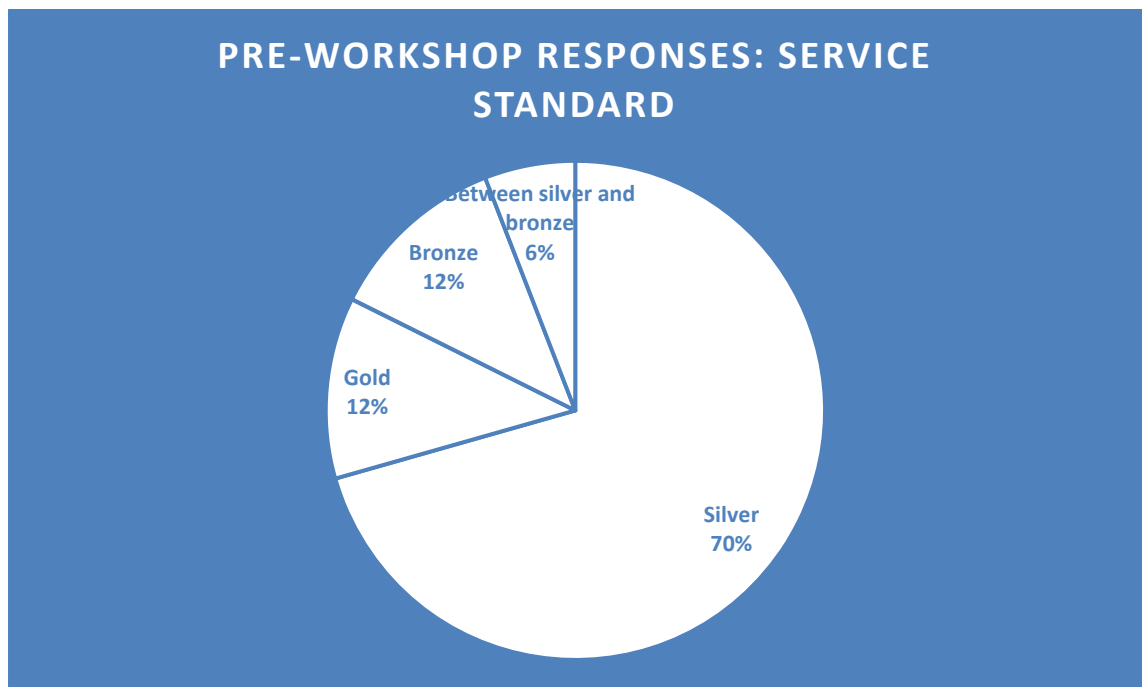
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Service Standard (n=17)

12 panellists indicated that Council should seek to provide a silver service standard; 2 indicated gold; 2 indicated bronze; and 1 indicated it should be a standard between silver and bronze.



Overall, their responses to the open-ended questions regarding importance were consistent with the panel outcomes discussed in sections 1.2.1 and 1.2.2, focusing on safety, access, comfort, maintenance, construction and cost/funding. All responses are provided in the table below.

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No.	The most important thing about roads for me is:	The most important thing about roads for Gwydir is:
1	Access for property owners	A/A
2	Access to deliver produce	Better access for people in country or towns to service the towns
3	Moving from point A to B safely	Building them once properly by ensuring funds not wasted by poor initial building
4	Reasonable access across the shire in all weather conditions	Cost
5	Road conditions	Cost involved in building good roads
6	Safe gravel roads (not many pot holes)	Drainage of roads doesn't seem good enough, seems a lot of damage on roads is because of draining
7	Safe road, sealed and unsealed	Funding to maintain
8	Safety	Maintaining a consistent safe surface with no surprises
9	Safety for travellers, especially non locals	Maintaining them so the first point can be maintained
10	Safety, especially north of Warialda on major roads	Maintenance adequate
11	Safety and comfort	Maintenance
12	Safety and productivity	Productivity for movement / ongoing production of all goods and services across the shire
13	Shape of road and drainage	Road conditions
14	Smooth surface, clear sight, and width of surface	Standards
15	The road foundation before forming	They are starting to use blue material on black soil
16	Travel ability	Timely maintenance
17	Travelling from A to B safely	To maintain at least 90%

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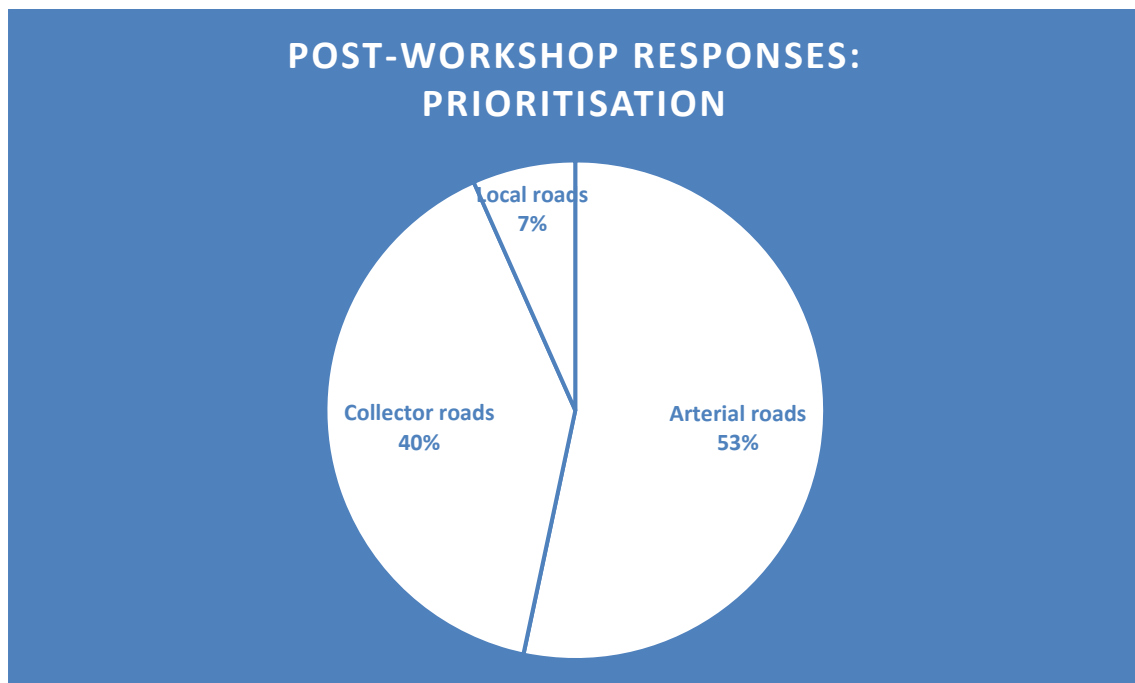
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1.3.2 Post-Workshop Responses

At the end of the second day, the panellists were asked to complete a second form, again indicating what class of roads Council should prioritise and for what reason, and additionally indicating what level of service standard Council should seek to provide for each class of roads. Further, this post-workshop form asked that they indicate how Council should fund any increase in roads service provision.

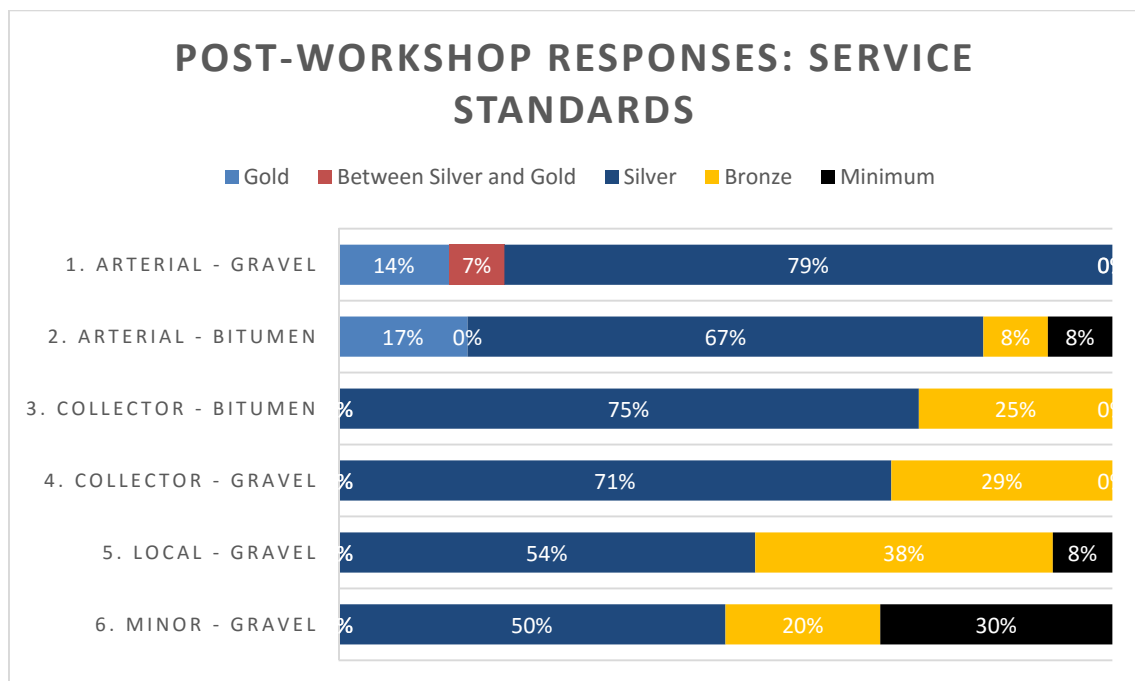
Prioritisation (n=15)

8 panellists indicated that Council should prioritise arterial roads; 6 indicated collector roads; and 1 indicated local roads



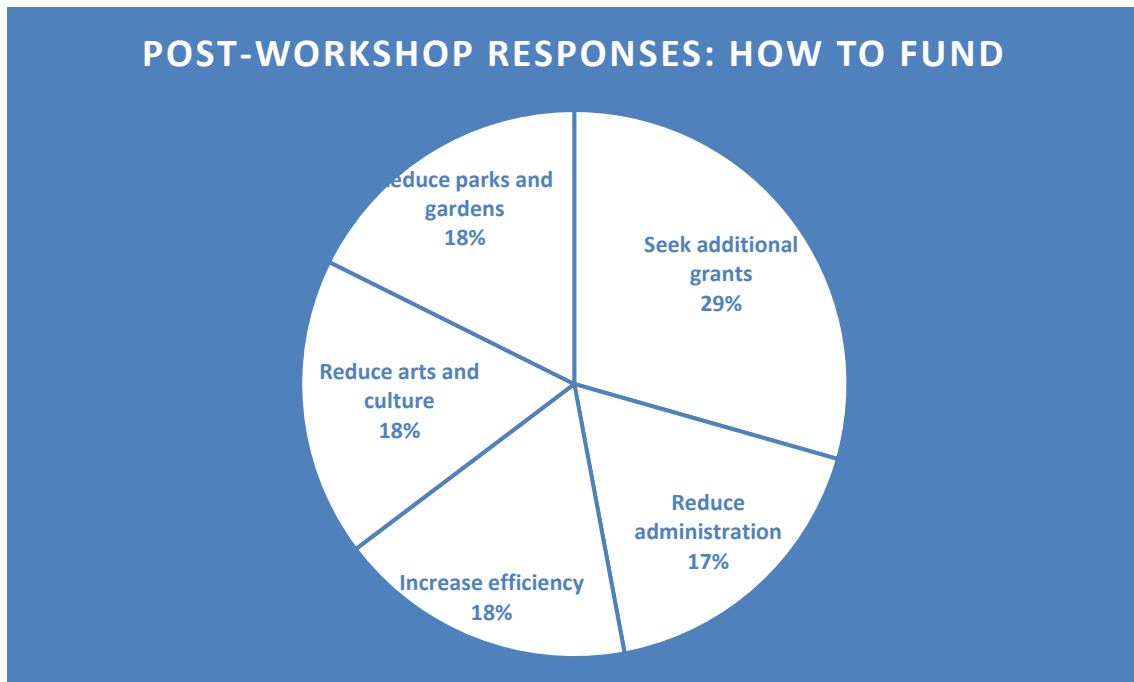
Service Standards

- **Arterial – Bitumen (n=12):** 8 panellists indicated that Council's service standard for Arterial – Bitumen roads should be silver; 2 indicated gold; 1 indicated bronze; and 1 indicated minimum
- **Arterial – Gravel (n=14):** 11 panellists indicated that Council's service standard for Arterial – Gravel roads should be silver; 2 indicated gold; and 1 indicated between silver and gold
- **Collector – Bitumen (n=12):** 9 panellists indicated that Council's service standard for Collector – Bitumen roads should be silver; and 3 indicated bronze
- **Collector – Gravel (n=14):** 10 panellists indicated that Council's service standard for Collector – Gravel roads should be silver; and 4 indicated bronze
- **Local – Gravel (n=13):** 7 panellists indicated that Council's service standard for Local – Gravel roads should be silver; 5 indicated bronze; and 1 indicated minimum
- **Minor – Gravel (n=10):** 5 panellists indicated that Council's service standard for Minor – Gravel roads should be silver; 3 indicated minimum; and 2 indicated bronze



How to Fund (n=17)

5 panellists indicated that Council should fund additional roads services by seeking additional grants; 3 indicated by reducing administration offices and/or staff; 3 indicated by increasing efficiency; 3 indicated by reducing arts and cultural services; and 3 indicated by reducing parks and garden services.



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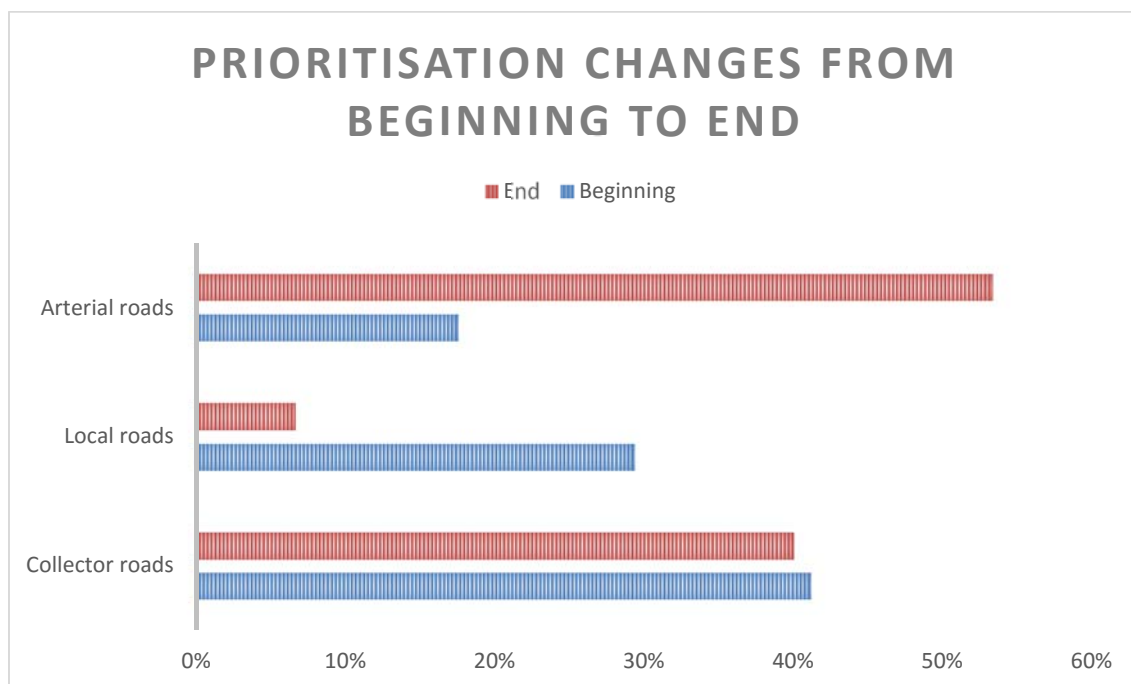
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1.3.3 Changes

The most significant change between the beginning and end of the process was panellists' views on what classes of roads Council should prioritise.

At the beginning of the process, 7 panellists indicated that Council should prioritise collector roads; 5 indicated local roads; 3 indicated arterial roads; and 2 indicated minor roads. At the end of the process, 8 panellists indicated that Council should prioritise arterial roads; 6 indicated collector roads; and 1 indicated local roads.

Therefore, the percentage of panellists who recommended that Council prioritise arterial roads therefore increased from 17.6% to 53.3% (an increase of 35.7 percentage points); and the percentage who recommended local roads decreased from 29.4% to 6.7% (a decrease of 22.7 percentage points). The percentage who recommended collector roads remained relatively stable, changing from 41.2% at the beginning to 40% at the end.



1.4 Recommendations

The table below provides a summary of the panel's recommendations and their rationale for each. Some of these recommendations will be tested with the wider community through the second phone survey, outlined in the next section.

No.	Recommendation	Rationale
1	That Council increase spending on gravel arterial roads by about \$300,000 per year to bring them up to bitumen standard over the next 15 years	Gravel arterial roads need additional servicing because they benefit a large number of people and businesses, and are used by tourists and for heavy vehicles
2	That Council increase spending on gravel local roads by about \$200,000 per year to improve their condition	Gravel local roads require additional servicing because they are used by a large number of residents and school buses, as well as by industry
3	That Council increase spending on gravel collector roads by about \$100,000 per year to improve their condition	Gravel collector roads require additional servicing to ensure safety and access to arterial roads
4	That Council maintain current levels of spending on bitumen arterial, local and collector roads, as well as on regional roads	Gravel roads are the priority for increased servicing, and Council cannot afford to increase servicing of all classes of roads. The servicing of regional roads is funded and controlled by the state government
5	That Council reconsider thresholds used to classify roads , based on the function and relative importance of each road to the community	Reviewing the thresholds used to classify roads would enable greater alignment of service levels to community expectation
6	That Council allocate any profit earned from state road contracts to servicing Council roads	Allocating profit from state road contracts to Council roads would increase servicing of Council roads
7	That Council consider road widening and improved drainage as service standards	Road widening and improved drainage would improve the safety and overall condition of roads
8	That Council consider road education campaigns advising drivers to drive to the conditions	By driving to the conditions, drivers would reduce wear and tear on roads and increase safety
9	That Council promote the self-help program to farmers, and look at providing additional insurance	Promoting the self-help program and insuring participants would enable farmers to use their own equipment to maintain minor and local gravel roads outside their properties
10	That Council prioritise the road needs of residents and industry above tourists	Residents and industry are the main funders and users of roads in the area
11	That Council upgrade an entire road at once rather than kilometre-by-kilometre	Upgrading entire roads at once would enable greater economies of scale and therefore reduce the overall cost

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12	That Council fund increased roads service by seeking additional grants	Additional external funding would enable Council to provide increased roads service without reducing other services
13	That Council fund increased roads service by reducing Council administration offices from two to one , and reducing administration staff accordingly	Most of Gwydir Shire Council's peer councils have only one administration office
14	That Council fund increased roads service by identifying ways to increase efficiency	Increased efficiency would enable Council to increase service provision within its existing financial resources
15	That Council fund increased roads service by reducing arts and cultural services	Gwydir Shire Council currently spends significantly more on arts and cultural services than its peer councils
16	The Council fund increased roads service by reducing parks and gardens services	Gwydir Shire Council currently spends significantly more on parks and gardens services than its peer councils

2 Draft Questionnaire for Second Phone Survey

SAMPLING NOTES

Sampling Notes

N = 200

Hard quotas

- a) Age
- b) Gender
- c) Income
- d) Geography
 - o Gwydir (25%, N=50)
 - o Bingara (25%, N=50)
 - o Other communities (50%, N=100)

Survey time: 10 minutes

INTRODUCTION

Good afternoon/evening, my name is _____ from _____ and we are conducting a survey on behalf of the University of Technology Sydney about the roads in Gwydir Shire.

I was hoping you may have 10 minutes to answer some questions?

Everything we talk about is confidential and your comments won't be identified in any reporting of the survey results.

Terms of Participation

- I agree to participate in the Gwydir Roads Survey being conducted by Galaxy Research on behalf of UTS.
- I am aware I can contact UTS if I have any issues to discuss about the survey.
- I understand I am free to withdraw my participation from the survey at any time without giving a reason.
- I agree any questions I have about this survey have been answered before completing.
- I agree the data from the survey may be published in a form that does not identify me.

Studies undertaken by UTS:IPPG have been granted program approval by the University of Technology Sydney, Human Research Ethics Committee. If you have any complaints or reservations about any aspect of your participation in this research you may contact Professor Roberta Ryan, a Director at UTS or the UTS Ethics Committee through the Research Ethics Officer (02 9514 9777). Any complaint you make will be treated in confidence and investigated fully and you will be informed of the outcome.

QUOTAS

A1 Are you...

- a) Male
- b) Female

A2 How old are you?

- a) Under 18 → thank and close
- b) 18-25

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- c) 26-35
- d) 36-45
- e) 46-55
- f) 56-65
- g) 66-75
- h) Older than 76

A3 Which town/location do you live in? DO NOT READ

- a) Gwydir
- b) Bingara
- c) Other – name – town or location

A4 CREATE RANDOM NUMBER

- a) One
- b) Two

INSTRUMENT

Council is looking at how it services roads in the area.

Q1. Please, indicate which of the following is closest to your view:

- a) The bitumen roads in the area need improving
- b) The bitumen roads in the area are generally fine

Q2. Please, indicate which of the following is closest to your view:

- a) The gravel roads in the area need improving
- b) The gravel roads in the area are generally fine

Q3. If you had to prioritise which roads Council looked at improving, which would it be (pick one only):

- a) Bitumen
- b) Gravel

There are different types of roads around the area.

- **Arterial & collector:** Some roads connect Gwydir's residents to nearby major centres, and carry more traffic than others, such as school buses, trucks, and tourists.
- **Local & minor:** Other roads connect the residents in smaller villages to Gwydir and carry less traffic.

Q4. If you had to prioritise which roads Council looked at to improve, which would it be (pick one only):

- a) Arterial & collector: Roads that connect Gwydir's residents to nearby major centres and carry more traffic than others.
- b) Local & minor: Other roads that connect the residents in smaller villages to Gwydir and carry less traffic

Q5. In a few words, please explain why you chose A/B.

A group of about 20 randomly selected Gwydir residents recently examined the issue of roads in detail over 1.5 days. As part of this, they considered evidence about the condition of roads in the area, Council's financial position, and the range of other services and infrastructure Council provides.

At the end of this process, the group advised Council to focus on improving roads that connect Gwydir to nearby major centres because they are used by more people, including residents, school buses, industry, and tourists, and serve an important function for the area.

Q6. Overall, to what extent would you say you agree or disagree with this advice?

- a) Strongly disagree

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- b) Disagree
- c) Neither disagree nor agree
- d) Agree
- e) Strongly agree

The same panel advised Council to increase the amount of money spent by Council on roads each year.

Q7. Overall, to what extent would you say you agree or disagree with this advice?

- a) Strongly disagree
- b) Disagree
- c) Neither disagree nor agree
- d) Agree
- e) Strongly agree

Q8. When considering which roads to upgrade, please rank the following from most to least important in terms of which one you think Council should consider first (RANK):

- a) The needs of local residents
- b) The needs of industry
- c) The needs of tourists

Q9. To pay for improvements in the roads, Council will need to find extra money. Which of the following would you prefer Council do (pick one):

- a) Seek grants from other levels of government
- b) Reduce arts and culture
- c) Reduce parks and gardens
- d) Find savings in the way Council does business
- e) Look for other ways Council can make money
- f) Reducing the number of Council administration offices
- g) Raise property rates

Q10. When Council upgrades roads, there are a number of things it considers. From the following, which is most important to you:

- a) The width of the roads
- b) Whether water collects on the top of a road surface
- c) Whether there is adequate drainage next to a road
- d) The number of accidents on a road
- e) The quality of the road surface
- f) Whether there are tight curves and blind crests
- g) Whether there is steep grade

ASK IF A3= b, c

Q. Council runs a program where local residents that have appropriate equipment can work with Council to maintain the road outside their property. This can help speed up maintenance of the road outside your property.

Does this program sound like it might be of interest to you:

- a) Yes
- b) No
- c) Maybe

DEMOGRAPHICS

And finally some questions about you

D1 Does each of the following apply or not apply to you and your household...

- a) I have dependent children under the age of 18
- b) I rent the home I live in
- c) I am paying off a mortgage
- d) I am an Aboriginal or Torres Strait Islander

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D2 Thinking about paid work do you currently work?

- a) Full time
- b) Part time
- c) Not at all

D3 Which best describes your annual household income before tax?

Please make your best estimate.

- a) Less than \$20,000
- b) \$20,000 - \$40,000
- c) \$40,001 - \$60,000
- d) \$60,001 - \$80,000
- e) \$80,001 - \$100,000
- f) \$100,001 - \$150,000
- g) More than \$150,000
- h) Not sure/rather not say

D4. Which of the following best describes the industry you work in? [Ask this as an open-ended question, and then code the response using the list below.]

- a) Agriculture, Forestry and Fishing
- b) Mining
- c) Manufacturing
- d) Electricity, Gas, Water and Waste Services
- e) Construction
- f) Wholesale Trade
- g) Retail Trade
- h) Accommodation and Food Services
- i) Transport, Postal and Warehousing
- j) Information Media and Telecommunications
- k) Financial and Insurance Services
- l) Rental, Hiring and Real Estate Services
- m) Professional, Scientific and Technical Services
- n) Administrative and Support Services
- o) Public Administration and Safety
- p) Education and Training
- q) Health Care and Social Assistance
- r) Arts and Recreation Services
- s) Other Services

D5. What is the highest level of education you have completed?

- a) TAFE
- b) University
- c) No tertiary education

CLOSE

Thanks for your help with this survey. This Survey was conducted on behalf of the University of Technology Sydney for Gwydir Shire Council.

Item 2 May Council Meeting Date

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.3 Administrative functions - GM - internal

AUTHOR General Manager

DATE 4 April 2018

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends an adjustment to the meeting date for the May Council Meeting.

TABLED ITEMS Nil

BACKGROUND

The May 2018 Council Meeting is scheduled for Thursday 31st May 2018.

As both the General Manager and Deputy General Manager are committed to a professional development activity on the current scheduled date of the May 2018 Council Meeting, it is suggested that the Ordinary Meeting for May be held on Thursday 24th May 2018, one week earlier, still at the Warialda Chambers commencing at 9 am.

OFFICER RECOMMENDATION

THAT the Ordinary Council Meeting for May 2018 be held on Thursday 24th May 2018 at the Warialda Chambers commencing at 9 am.

ATTACHMENTS

There are no attachments for this report.

COMMITTEE RECOMMENDATION TO COUNCIL:

THAT the Ordinary Council Meeting for May 2018 be held on Thursday 24th May 2018 at the Warialda Chambers commencing at 9 am.

(Moved Cr Egan, seconded Cr Smith)

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Item 3 Climate Change Policy

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 3. An Environmentally Responsible Shire

OUTCOME: 3.1 OUR COMMUNITY UNDERSTANDS AND EMBRACES ENVIRONMENTAL CHANGE

STRATEGY: 3.2.1 Develop a clean energy future - ED - external

AUTHOR General Manager

DATE 4 April 2018

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends the adoption of a policy position on the potential impact from climate change.

TABLED ITEMS	Nil
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BACKGROUND

The following extract is from the Council's Integrated Planning and Reporting documentation for the current financial year.

Potential climate change adaption processes

The Intergovernmental Panel on Climate Change (IPCC) defines climate change adaptation as: ‘The adjustment in natural or human systems in response to actual or expected climate stimuli or their effects, which moderates harm or exploits beneficial opportunities.’

An effective adaptation planning and implementation program requires strong support, for example, endorsement from a mayor, majority council support, or explicit commitments in public documents. Adaptation is an iterative and long-term process which requires strong leadership and ongoing commitment to future outcomes.

Climate change adaptation is a large and multi-faceted challenge, which needs to be addressed across sectors. Rather than imposing a top-down approach where a group of climate change experts work in a range of sectors, it is better to build capacity amongst people already working in each sector by involving them in the planning process. This allows people to use their existing expertise and be exposed to new ideas and parameters in a changing climate.

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Capacity building strengthens the commitment people have to the adaptation process.

People are generally more committed to, and satisfied with, working on projects they have helped to develop.

As with most council activities, engaging with the community will be critical to the success of adaptation planning. Informing them about projected local climate impacts and canvassing their views on levels of acceptable risk will develop community understanding of climate change adaptation.

Council Actions:

Year 1

Gwydir Shire Council will form an internal Coordination Unit to develop a short, medium and long term climate change adaptation plan in collaboration with the relevant State agencies and other regional councils.

Year 2 – 4

***Develop the roll-out program for implementation; and;
Monitor and report the results annually.***

COMMENT

The Adaptation Coordination Unit was formed on 19th July 2017 and consists of Mr Carl Tooley (Chair), Mr Saul Standerwick, Mrs Patsy Cox, Mr Jamie Wilson and Ms Casey McClymont.

This draft policy was developed by the Adaptation Coordination Unit.

Other documentation around this adaptation strategy will be place before Council for approval as it is developed.

OFFICER RECOMMENDATION

THAT the draft Climate Change Policy be adopted.

ATTACHMENTS

AT- Draft Policy

COMMITTEE RECOMMENDATION TO COUNCIL:

THAT the draft Climate Change Policy be adopted.

(Moved Cr Young, seconded Cr Egan)



CLIMATE CHANGE POLICY

DEPARTMENT	Organisation and Community Development
RESPONSIBLE MANAGER	Leeah Daley
DATE ADOPTED	## 2018
TRIM REFERENCE	
VERSION NO	01
NEXT REVIEW	

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POLICY STATEMENT

This policy aims to maximise the economic, social and environmental wellbeing of Gwydir Shire Council in the context of a changing climate by embedding carbon emissions savings in decision making and becoming more resilient to a changing climate.

RELEVANCE

This Policy is relevant to all elected delegates, staff and volunteers, suppliers and contractors.

RELATED LEGISLATION AND GUIDELINES

Planning for Climate Change, Local Government NSW, www.lgnsw.org.au

DEFINITIONS

Climate change:	Refers to a change in the state of the climate that can be identified by changes in the mean and/or the variability of its properties, and that persists for an extended period, typically decades or longer.
Adaptation:	Process of adjustment to actual or expected climate and its effects which aims to reduce the impact of any given level of climate change.
Mitigation:	Refers to efforts to minimise the extent of climate change by reducing or preventing emission of greenhouse gases.
Resilience:	The capacity of an organisation to absorb disturbance and reorganise while undergoing change so as to still retain essentially the same function, structure and identity.

INTRODUCTION

The available evidence suggests that Australia's climate is changing and Council has a responsibility to prepare for these potentially damaging changes.

Expectations are for hotter and generally drier conditions in Gwydir Shire, with an increasing frequency and intensity of extreme climatic events. Climate change has the potential to damage council assets, cause serious disruptions to the delivery of council services, generate unbudgeted financial impacts and affect the wellbeing of the community, particularly those vulnerable to weather extremes.

Council needs to prepare for the unavoidable impacts of climate change (adaptation) and have a significant role in reducing the Council's carbon footprint (mitigation) to ensure that Council's strategic objectives for the community are achieved.

This policy aligns with Gwydir Shire Council's mission statement to work to ensure that the Council's future is viable and sustainable.

SCOPE

Climate change impacts will be experienced across the organisation and community, and mitigation and adaptation actions are able to be implemented by Councillors, staff and community members.

This policy applies to Council's services and assets.

It is to be considered when Council and its officers make recommendations and decisions, or design and review programs, processes and projects.

PURPOSE

The purpose of this policy is to provide a mechanism to guide strategies, evaluate and assess projects and services, and enable Council to manage its climate change vulnerability thereby increasing the organisation's resilience and preparation for the future.

Council also seeks to foster a culture of sustainability and will work to reduce the Council's and the Community's ecological footprint.

POLICY DETAILS

Gwydir Shire Council is committed to mitigating and adapting to climate change when delivering local government services and maintaining assets into the future.

Council:

Recognises that climate change is happening and responding to climate change is a responsibility shared by all levels of government, industry, communities and the residents of Gwydir Shire

Acknowledges that projected climate change outcomes will impact on Gwydir Shire's social and economic sustainability

Understands the importance of environmental sustainability by reducing greenhouse gas emissions, conserving natural resources and promoting a safe and healthy community

Demonstrates leadership by preparing our staff and community to face the impacts of a changed climate.

Council will achieve this by:

Meeting legislated obligations in regard to climate change

Viewing all strategic and operational decisions, and policy positions through the climate change lens

Managing our carbon footprint through cost effective processes to reduce greenhouse gas emissions.

Applying risk management to develop and implement adaptation strategies

Promoting and working towards cooperative, coordinated climate change management

Identifying opportunities to innovate and be proactive in our response to the challenges of climate change.

Item 4 Murray Darling Basin Royal Commission

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 4. Proactive Regional and Local Leadership

OUTCOME: 4.1 WE ARE AN ENGAGED & CONNECTED COMMUNITY

STRATEGY: 4.2.2 Work in partnership to plan for the future - GM - external

AUTHOR General Manager

DATE 5 April 2018

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommend notation of the South Australian Government decision to hold a Royal Commission into the Murry Darling Basin Plan.

TABLED ITEMS Nil

BACKGROUND

The Murray-Darling Basin Royal Commission was established by the Governor of South Australia on 23 January 2018. The Commission is required to report on the following matters:

1. Whether the Water Resource Plans defined by the Act and Basin Plan (which are to include the long-term average sustainable diversion limits for each Basin water resource) will be delivered in full and in a form compliant and consistent with the Basin Plan by 30 June 2019.
2. If any Water Resource Plans are unlikely to be delivered in full and in a form compliant and consistent with the Basin Plan, the reasons for this.
3. Whether the Basin Plan in its current form, its implementation, and any proposed amendments to the Plan, are likely to achieve the objects and purposes of the Act and Plan as variously outlined in ss.3, 20, 23 and 28 of the Act, and the 'enhanced environmental outcomes' and additional 450 GL provided for in s. 86AA(2) and (3) of the Act, respectively.
4. Whether the underlying assumptions in the original modelling used to develop the objects and purposes of the Act and the Basin Plan have

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been sufficiently adjusted for the impact of improved technologies.

5. If the Basin Plan is unlikely to achieve any of the objects and purposes of the Act and Basin Plan and/or the 'enhanced environmental outcomes' and the additional 450 GL referred to above, what amendments should be made to the Basin Plan or Act to achieve those objects and purposes, the 'enhanced environmental outcomes' and the additional 450 GL?
6. Any legislative or other impediments to achieving any of the objects and purposes of the Act and Basin Plan and/or the 'enhanced environmental outcomes' and additional 450 GL referred to above, and any recommendations for legislative or other change if needed.
7. The likely impact of alleged illegal take or other forms of non-compliance on achieving any of the objects and purposes of the Act and Basin Plan, and the 'enhanced environmental outcomes' and the additional 450 GL, referred to above.
8. In relation to any found instances of illegal take or work, whether appropriate enforcement proceedings have been taken in respect of such matters and if not, why.
9. Whether, in any event, the enforcement and compliance powers under the Act are adequate to prevent and address non-compliance with the Act and the Basin Plan, and any recommendations for legislative or other change if needed.
10. Whether monitoring, metering and access to relevant information (such as usage data) is adequate to achieve the objects and purposes of the Act and Basin Plan and the 'enhanced environmental outcomes' and additional 450 GL referred to above.
11. Whether water that is purchased by the Commonwealth for the purposes of achieving the objects and purposes of the Act and Basin Plan and/or the 'enhanced environmental outcomes' and the additional 450 GL referred to above will be adequately protected from take for irrigation under water resource plans, and any recommendations for legislative or other change if needed.
12. Whether the Basin Plan in its current form, its implementation, and any proposed amendments to the Plan, are adequate to achieve the objects and purposes of the Act and Basin Plan, the 'enhanced environmental outcomes' and the additional 450 GL referred to above, taking into account likely, future climate change.
13. Any other related matters.

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The Commission has issued a Discussion Paper (attached) and submissions will be received until 30th April 2018.

The Productivity Commission has also issued an assessment paper covering the five years of operation of the Basin Authority Plan and this document is attached as well.

OFFICER RECOMMENDATION

THAT the information is noted

ATTACHMENTS

AT- Royal Commission Discussion Paper

AT- Productivity Commission Issues Paper

COMMITTEE RECOMMENDATION TO COUNCIL:

THAT the information regarding the South Australian Government's decision to hold a Royal Commission into the Murry Darling Basin Plan is noted.

FURTHER that the issue of Cold Water Pollution be submitted as an outstanding environmental issue to the Productivity Commission in the 5 year review of the Basin Plan.

(Moved Cr D Coulton, seconded Cr Young)



Murray-Darling Basin Royal Commission
Issues Paper

THE PURPOSE OF THIS PAPER

1. The Murray-Darling Basin Royal Commission (**The Commission**) was established by the Governor of South Australia on 23 January 2018. In February, the Commission invited members of the public to make submissions in relation to its Terms of Reference concerning matters relevant to the Murray-Darling Basin Plan (**Basin Plan**). The Basin Plan was enacted in 2012 for the purpose of managing the water resources of the Murray-Darling Basin.
2. A large number of persons, organisations and Government Departments have been specifically invited to make submissions.
3. All participants in the submission process have been asked to submit their written submissions by 30 April 2018, and to address such of the Commission's Terms of Reference as are relevant to them when making a submission.
4. The Terms of Reference for investigative and administrative inquiries are often, of necessity, very broad. The purpose of this issues paper is to briefly set out matters from the Terms of Reference that are the subject of focus by the Commission, so as to assist any person or organisation wishing to submit a submission, or in the process of preparing one. The Commission also hopes that this issues paper will help people in the preparation of oral contributions they may wish to make at community consultations, which will be held by the Commission across the Basin.

OVERVIEW

5. The Murray-Darling Basin covers more than one million square kilometres of the States of Queensland, New South Wales, Victoria, South Australia, and the Australian Capital Territory (**Basin States**). The major rivers of the Basin include the Murray, the Darling, the Murrumbidgee and the Lachlan, although the Basin is a system involving many other rivers and tributaries.
6. There are more than two million residents in the Basin, and thousands of businesses that rely on irrigation and its water resources. As well as significant

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agricultural uses, the water resources of the Basin are important for the purposes of Indigenous culture, recreation, tourism and human consumption.

7. The Basin Plan is a legislative instrument of the Commonwealth Parliament made under section 44 (3)(b)(i) of the *Water Act 2007* (Cth) (**Water Act**). The Basin Plan seeks to balance environmental objectives with impacts to businesses and communities throughout the Murray-Darling Basin, and more than two million residents of the states of Queensland, New South Wales, Victoria, South Australia and the Australian Capital Territory.
8. A central part of the objects of the Basin Plan, and those of the Water Act which commanded its preparation, is ensuring a *"return to an environmentally sustainable level of extraction"* for the ground and surface water resources of the Murray-Darling Basin.
9. The "outcome" sought for the Basin Plan is a *"healthy and working Murray-Darling Basin"*: section 5.02(2). That outcome is sought to be attained by achieving objectives that are largely environmental. These objectives include:
 - Giving effect to relevant international agreements;
 - Optimising social, economic and environmental outcomes arising from the use of Basin water resources;
 - Protecting and restoring water dependant eco-systems and eco-system functions;
 - Ensuring that water dependant eco-systems are resilient to climate change and other risks and threats;
 - Maintaining appropriate water quality including salinity levels;
 - Water security;
 - Ensuring that environmental watering is coordinated.(See in general chapter 5 of the Basin Plan, and chapter 8 concerning the environmental watering plan).
10. Central to obtaining the outcomes and objectives for the Basin Plan was the setting of the *"long-term average sustainable diversion limit"* for surface water and groundwater from the Murray-Darling Basin. At the time of the enactment of the Basin Plan in 2012, the Murray-Darling Basin Authority (**MDBA**) estimated that the long-term average sustainable diversion limit (**SDL**) for all surface water was 10,873GL per year. This reflected a reduction of 2,750GL per year from the MDBA's estimate of the baseline diversion limit of all surface

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water – that is, the current annual consumptive use for surface water (13,623GL).

11. Under the Basin Plan, the Murray-Darling Basin is divided into the Northern and Southern Basin and into various zones described as the Northern Basin Queensland zone, the Northern Basin New South Wales zone, the Southern Basin Victoria zone, the Southern Basin New South Wales zone, the Southern Basin South Australia zone and the Southern Basin Australian Capital Territory zone: see section 6.05 of the Basin Plan.
12. For each of these zones, areas have been divided into SDL resources units, all of which have an SDL. These SDLs are to be incorporated into water resource plans, which must be accredited – and are due to take effect on – 1 July 2019: see chapter 10 of the Basin Plan.
13. The Basin Plan also provides for an Environmental Watering Plan (**EWP**) for coordinating the use of water in the Basin for environmental purposes, and in particular the objectives of protection and restoration of the water dependent ecosystems of the Basin: see Chapter 8, Part 2 of the Basin Plan.
14. The EWP requires each Basin State to prepare long term environmental watering plans for each water resource plan area. Such plans have mandatory requirements, and must be consistent with the EWP, and be included in all water resource plans: section 10.26 of the Basin Plan.
15. There is some current public discussion regarding the adjustment mechanism for SDLs set out in chapter 7 of the Basin Plan. Under this chapter, the Basin Officials Committee can nominate “supply measures” – measures designed to operate so as to increase the quantity of water available to be taken in a set of surface water SDL resource units – such that the SDL can be increased (and the annual reduction of 2,750GL decreased). Examples given of such measures in the Basin Plan include:
 - Reconfiguring lakes or storage systems to reduce evaporation;
 - Reducing the quantity of water required to deliver water at a particular place for either consumptive or environmental use;
 - Changing the method of environmental watering in such a way that equivalent environmental outcomes can be achieved with a smaller quantity of water.

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16. Thirty-six such projects have been analysed by the MDBA for the purpose of the Southern Basin. As a result of that analysis, the MDBA has proposed to the Commonwealth Minister for Agriculture and Water Resources that the Southern Basin surface water SDL be adjusted such that the amount of water that needs to be recovered each year from consumptive use (2,750GL) be reduced by 605GL: see section 23A of the Water Act. The Minister adopted the proposed adjustment (section 23B), but this issue was subject to a disallowance motion in the Senate, which has been deferred to May 2018.
17. Adjustments to SDLs can also be made as a result of an “efficiency measure”: that is, a measure that operates to decrease the quantity of water required for one or more consumptive uses in a set of surface water SDL resource units, provided it has neutral or positive socio-economic outcomes. Examples given in the Basin Plan of such measures are:
- Lining channels to reduce water losses within an irrigation network;
 - Replacement of less efficient irrigation methods with drip irrigation.
18. The Basin Plan provides that a Basin State or the Commonwealth can notify the MDBA of an efficiency measure on or before 31 December 2023, that in its view should be taken into account in proposing adjustments to the SDLs under chapter 7.
19. The aim of such measures is to “*deliver 450GL of additional environmental water* (water for environmental purposes) *above the figure of 2,750GL*”. The objective of the additional 450GL of environmental water, together with the implementation of “constraints measures”¹, is to “*allow the enhanced environmental outcomes*” set out in schedule 5 of the Basin Plan to be “*pursued*”. The majority of enhanced environmental outcomes relate to issues concerning the water quality, salinity levels, and amount of flow to the Coorong, Lower Lakes, and the Murray Mouth at the Southern end of the system.

¹ A constraint measure means a measure that removes or eases a physical or other constraint on the capacity to deliver environmental water to the environmental assets of the Murray-Darling Basin.

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ESTABLISHMENT OF THE ROYAL COMMISSION

20. Following allegations of illegal take aired on the ABC's Four Corners program in July 2017, the South Australian Government announced that it intended to set up a Royal Commission into the Basin Plan to examine – amongst other matters - issues surrounding those allegations.

21. The Commission was established on 23 January 2018. Prior to this, draft terms of reference were made publically available for comment and submission. The final Terms of Reference are available on the Commission's website: www.mdbrc.sa.gov.au.

POWERS AND NATURE OF THE ROYAL COMMISSION

22. The Commission's expectation is that it will receive cooperation and assistance from people, organisations and government departments from which it seeks documents and information, or who it invites to give evidence at a private or public hearing. To the extent it becomes necessary for the Commission to issue a summons to compel the production of documents, or the attendance of a witness to give sworn evidence, the Commission considers that the provisions of the *Royal Commissions Act 1917* (SA) and the *Service and Execution of Process Act 1992* (Cth) give it, as a Commission of Inquiry/Tribunal carrying out investigative functions, the power to:

- compel the production of documents from any Australian jurisdiction;
- compel the attendance of a witness of any State or Territory to give evidence.

23. While the Commission was established by the Governor of South Australia, it is important to note the following matters:

- The Commission is independent of government. It does not take direction from government as to the methods of its information gathering, the finding of facts it may make, the opinions it may express, or the recommendations it ultimately makes;
- The Commission does not represent South Australia, and in simplistic terms does not take a position "for" South Australia, or "against" any other Basin State;
- The Commission's Terms of Reference require it to investigate matters and inform itself of issues across the entire Basin. Again, in simplistic terms, its Terms of Reference do not require it to "promote" the Basin Plan, but to independently consider issues in relation to it.

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TERMS OF REFERENCE

24. While all persons and organisations wishing to lodge a written submission should consider the Terms of Reference in full, in summary they raise the following issues:

- Whether water resource plans required to be prepared under the Basin Plan will be prepared in a form compliant with the Basin Plan and accredited by 1 July 2019.
- Whether the Basin Plan in its current or any amended form is likely to achieve the objects, purposes and desired outcomes of the Water Act and Basin Plan.
- Whether the Basin Plan is likely to achieve the “enhanced environmental objectives” and the recovery of 450GL of water through efficiency measures.
- Whether appropriate enforcement proceedings have been taken in relation to any instances of alleged or found illegal take of water, and whether the compliance and enforcement powers in the Water Act are adequate.
- Whether water purchased for environmental use has been, or will be, adequately protected from consumptive use.

COMMUNITY CONSULTATIONS

25. The Commission intends to visit a number of regional centres and sites important to the Basin Plan. It will hold a series of community consultations in these places, which commenced with a community consultation in Murray Bridge on 29 March 2018. Other places and towns will be visited for consultation purposes, and the dates for these will be advertised, as well as listed on the Commission’s website.

26. The Commission is well aware that it is not the first body to invite residents or organisations of the Basin, with an interest in the Basin Plan, to attend a community consultation. Such consultations have in fact been frequent, and ongoing, for many years. People, understandably, might feel they have said all that they can about the Basin Plan, and to too many people on too many occasions.

27. While the Commission understands people affected by the Basin Plan may be feeling fatigued by ongoing consultation, the Commission’s desire to hear from people who live in Basin communities and are affected by the Plan is genuine, and the desire is for the process to be a real engagement. All communities

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should feel confident that the Royal Commission is independent, and represents no vested interest. The Commission welcomes the opportunity to speak to people outside the main cities concerning their experience – good or bad – of the Basin Plan, and to hear their insights in relation to it.

AREAS OF PARTICULAR FOCUS

28. In the course of its reading and information gathering processes to date, the following matters have been identified as ones of particular interest to the Commission, and that fall within one or more of its Terms of Reference. The Commission would be interested in receiving submissions that engage with the following issues (although persons or organisations intending to lodge a submission or speak at a community consultation should feel free to deal with any of the Terms of Reference):

a) Process used to determine the “Environmentally Sustainable Level of Take”

The Water Act requires the MDBA to determine an environmentally sustainable level of take (ESLT) for the Basin’s water resources, which must be reflected in the SDL for the Basin.

In its 2011 report *“The Proposed ‘Environmentally Sustainable Level of Take’ for surface water of the Murray-Darling Basin: Method and Outcomes”*, November 2011, (**ESLT Report**) the MDBA sets out an explanation of the method it devised and used for determining the ELST, which was ultimately reflected in the SDL in the Basin Plan in 2012. The Report sets out:

- the MDBA’s interpretation of the requirements of the Water Act insofar as it considers those requirements relevant to the task of setting the ESLT;
- based on its interpretation of the Water Act, the MDBA’s 7-step method to determine the ESLT, which includes certain policy decision at various points;
- the MDBA’s determination of the ESLT based on its use of the 7-step method, modelling results and its consideration of other matters, including socio-economic impacts and climate change.

The MDBA indicates various points in its process for determining the ESLT at which it incorporated socio-economic considerations into its decisions; certain judgments about available scientific evidence; various

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practical and policy assumptions and limitations influencing the method and the modelling, and its approach to climate change. The MDBA's method for determining the ELST still stands, although changes to the SDL volume have since been proposed via the SDL adjustment mechanism and the Northern Basin Review.

The Commission is interested to receive all submissions from interested persons and organisations in relation to the MDBA's method for determining the ESLT, with particular reference to what the MDBA has expressed as being the requirements of the Water Act, and the method of determining the ESLT as set out in the ESLT Report.

b) 36 Supply Measure Projects

On 5 May 2016 the Basin Officials Committee notified the MDBA of 36 supply and 2 efficiency projects to be taken into account in the SDL adjustment mechanism under Chapter 7 of the Basin Plan.

Prior to this notification, the Basin States and the Commonwealth Government had agreed a "Protocol for Consideration of Surface Water Sustainable Diversion Limit (SDL) Adjustment Measures": Schedule 1 of the "Intergovernmental Agreement on Implementation of Water Reform in the Murray Darling Basin" (IGA).

With reference to the Protocol from the IGA, the MDBA prepared the following Assessment Guidelines for Constraint and Supply Measures, which set out a number of assessment criteria that must be addressed by the proponents for any such projects:

- Phase 1 Assessment Guidelines (Feasibility Studies)
- Phase 2 Assessment Guidelines (Business Cases – for which \$34.5million of Commonwealth funds were made available)
- Phase 3 Assessment Guidelines (Confirmation of Projects)

It has become clear that there is some dispute as to whether the 36 supply measures submitted to the MDBA as a justification for increasing the Basin Plan SDL should be approved, including whether such projects met the requirements of the Assessment Guidelines referred to above. The proposed increase to the SDL by 605GL (a decrease in the amount of water that needs to be recovered for environmental purposes) will be considered by the Senate in May 2018. The Commission is interested to

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receive all submissions from interested persons and organisations in relation to this issue.

c) Recovery of 450GL for Enhanced Environmental Outcomes

The Basin Plan provides that Basin States and the Commonwealth can submit "efficiency measures" which, together with "constraints measures" are aimed at the recovery of an additional 450GL of environmental water (see section 7.09(e) of the Basin Plan), which itself is aimed at achieving the "enhanced environmental outcomes" outlined in schedule 5 of the Basin Plan. \$1.77 billion of Commonwealth funds are available for such efficiency projects, but they appear to be voluntary.

Limited progress appears to have been made on these efficiency measure projects. It appears that there is in general a lack of support for them, or understanding of them.

There also appears to be some disagreement, at an expert level, as to whether "efficiency measures" will be sufficient to recover this additional 450GL and if they can be implemented in a way that does not result in negative socio-economic outcomes for communities.

The Ministerial Council commissioned Ernst & Young to provide advice regarding how to design, target and resource efficiency measures programs that can recover the 450GL with neutral to positive socio-economic impacts. That report was released in January 2018.

The Commission is interested to receive all submissions from interested persons and organisations in relation to the recovery of the 450GL, the EY report and efficiency measures generally.

d) Water recovery to date

As at 31 December 2017, the MDBA estimated that 2,106.4GL had been recovered, primarily through buybacks of water entitlements and infrastructure investments. This leaves just over 640GL of water still to be recovered of the 2,750GL target (not including the 450GL for the "enhanced environmental objectives").

There appears to be disagreement, including at an expert level, as to whether the figure of 2,106.4GL has in fact been recovered, to what

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extent that figure is accurate (particularly with regard to infrastructure investments) and the Commonwealth has access to that volume of water for environmental use, and to what extent that return has been compromised by illegal take.

The Commission is interested to receive all submissions from interested persons and organisations in relation to these issues.

e) Northern Basin Review

The Northern Basin Review conducted by the MDBA resulted in a recommendation to adjust the SDLs in the Northern Basin by reducing the recovery target from 390GL to 320GL. This recommendation, which was approved by the relevant Commonwealth Minister, was the subject of a disallowance motion in the Senate in February 2018, and has been the subject of expert commentary and criticism.

The Commission is interested to receive all submissions from interested persons and organisations in relation to the Northern Basin review, the reduction of the recovery target from the Northern Basin of 70GL, and the “toolkit measures” referred to in the Northern Basin review.

f) Views of Indigenous People

Part 14 of the Basin Plan states that water resource plans must identify the objectives of Indigenous people in managing the water resources of a water resource plan area and the outcomes they desire for the management of water resources in a water resource plan area. Regard must be had to the “*social, spiritual and cultural values of Indigenous people that relate to the water resources of a water resource plan area*”: see section 10.52. Further, section 10.54 of the Basin Plan requires that the Basin States must have regard to the views of Indigenous people with respect to cultural flows in the preparation of water resource plans. The following definition of cultural flows is currently used by the Northern Murray-Darling Basin Aboriginal Nations and the Murray Lower Darling Rivers Indigenous Nations:

“Water entitlements that are legally and beneficially owned by the Indigenous Nations of a sufficient and adequate quantity and quality to improve the spiritual, cultural, environmental, social and economic conditions of those Indigenous Nations. This is our

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inherent right" (see for example paragraph 31 of schedule 1 of the Basin Plan).

The Commission is concerned that water resource plans are being prepared in circumstances where, as a matter of law, it arguably could be said that these plans are not being prepared "*having regard to the views of Indigenous people with respect to cultural flows*" in accordance with at least some available constructions of that phrase.

The Commission is interested to receive any submissions from interested persons and organisations in relation to this issue.

g) Illegal Take

There have been allegations raised in various investigative reports (Ken Matthews Inquiry; NSW Ombudsman; MDBA Compliance Review November 2017; Independent Expert Panel Review November 2017), and media reports concerning matters such as:

- Illegal take, or the take of water beyond an entitlement;
- Tampering with water meters;
- Inadequacy of metering;
- Inadequacy of determining how much water has been taken for consumptive use;
- Lack of protection for environmental water;
- Use of Commonwealth funds under the Basin Plan for works or for purposes other than the work or purposes for which the funds were provided;
- The alleged overpayment by the relevant Commonwealth Department for the surrender of water entitlements, or of payment for water entitlements that are of a kind that should not be counted towards the recovery of environmental water.

○

Concerns have also been raised about a lack of appropriate enforcement action or investigation into allegations of illegal take.

The MDBA, and an Independent Panel asked to advise the Government on compliance and enforcement matters, has also commented on the relative lack of power given to the MDBA in the Water Act in relation to matters of compliance and enforcement.

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The Commission is interested to receive any submissions in relation to these issues across the Basin. It should be noted however that the Commission will not be interfering, or taking any steps to interfere, with any police investigation or State based prosecution that may be ongoing in relation to any such matters.

h) Irrigated Crops

There is public discussion over whether particular irrigated crops are taking more water for consumptive use than is practical given the volume of water available for such use in the Murray-Darling Basin – that is, given the environmentally sustainable level of take.

There has also been public discussion about the expansion of development for irrigated crops in parts of the Basin, and whether there is sufficient water in the Basin to support such ongoing development and still achieve the outcomes and objectives of the Basin Plan.

The Commission is interested to receive any submissions from persons or organisations in relation to these issues.

i) Constitutional basis for Water Act

The Constitutional basis for the Water Act (section 9) is dependent on a number of the powers under section 51 of *The Constitution*. The most important of these may be the external affairs power (section 51 (xxxix)), particularly with regard to the object of the Water Act and the Basin Plan to give effect to relevant international agreements concerning the environment and ecology (amongst other relevant objects).

The Commission is interested in receiving submissions on the issue of whether there is sufficient power vested in the Commonwealth Government under *The Constitution* to impose obligations on Basin States under the Basin Plan without a referral of power from those states under s 51 (xxxvii) of the Constitution.

j) Darling River and Menindee Lakes

The Commission is concerned with reports and evidence as to the lack of flow in parts of the Darling River, and warnings about algal bloom outbreaks, and the low level of storage in the Menindee Lakes.

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There have also been criticisms made at an expert level concerning changes made to the Barwon-Darling Water Sharing Plan that has allowed pumping at low river levels.

The Commission is interested to receive submissions from persons or organisations in relation to this issue.

k) Deadline for Water Resource Plans

The Commission has read reports and information identifying a risk that water resource plans required to be prepared under the Water Act and Basin Plan will not be submitted to the MDBA in sufficient time for accreditation by 1 July 2019.

The Commission is interested to receive any submissions from persons or organisations concerning this issue.

l) Environmental and Ecological Health of the Murray-Darling Basin

There are varying reports as to whether the Basin Plan, since 2012, has achieved any of its objectives of improving the health and resilience of the eco-systems and ecological functions of the Murray-Darling Basin, the floodplains, the wetlands and other areas of ecological significance, and the extent to which progress is being made on the desired outcome of a "healthy and working Murray-Darling Basin".

There is also expert disagreement as to whether the objectives of the Basin Plan concerning key environmental assets and key ecosystem functions, and the enhanced environmental objectives, can be achieved at either a water recovery target amount of 2,750GL, or 3,200GL, or such other target depending on legislative change as a result of SDL adjustments.

There is public concern that water for environmental purposes in parts of the Basin may not be delivered to environmental targets due to a lack of regulatory protection for that water.

The Commission is interested to receive submissions from any persons or organisations concerning these issues.

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Australian Government
Productivity Commission

Murray-Darling Basin Plan:
Five-year assessment

Productivity Commission
Issues Paper

March 2018

The Commission has released this issues paper to assist individuals and organisations to prepare submissions. It contains and outlines:

- the scope of the inquiry
- the Commission's procedures
- matters about which the Commission is seeking comment and information
- how to make a submission.

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The Issues Paper

The Commission has released this issues paper to assist individuals and organisations to prepare submissions to the inquiry. It contains and outlines:

- the scope of the inquiry
- the Commission's procedures
- matters about which the Commission is seeking comment and information
- how to make a submission.

Participants should not feel that they are restricted to comment only on matters raised in the issues paper. The Commission wishes to receive information and comment on issues which participants consider relevant to the inquiry terms of reference.

Key inquiry dates

Receipt of terms of reference	7 March 2018
Due date for submissions	19 April 2018
Release of draft report	August 2018
Draft report public hearings	September/October 2018
Final report to Government	31 December 2018

Submissions can be lodged

Online:	http://www.pc.gov.au/inquiries/current/basin-plan
Or email:	Basin.plan@pc.gov.au

Contacts

Administrative matters:	Tracey Horsfall	Ph: 02 6240 3261
Other matters:	Jessica Hartmann	Ph: 02 6240 3222
Freecall number for regional areas:	1800 020 083	
Website:	www.pc.gov.au	

The Productivity Commission

The Productivity Commission is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long term interest of the Australian community.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Further information on the Productivity Commission can be obtained from the Commission's website (www.pc.gov.au).



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1 What is this inquiry about?

Under the *Water Act 2007* (Cwlth), the Productivity Commission (the Commission) has responsibility for assessing the effectiveness of implementation of the Basin Plan — and associated water resource plans (WRPs) — every 5 years. This function was transferred to the Commission when the National Water Commission (NWC) was abolished in 2015. This assessment is the first to be undertaken by the Commission.

The Basin Plan represents a major step change in the management of the Murray-Darling Basin (the Basin). It is part of a comprehensive, large-scale Australian and Basin State¹ government reform initiative to reset the balance between environmental and consumptive use of water across the Basin and establish a long-term, sustainable water management system.

The move to a more sustainable balance required a series of substantial trade-off decisions — balancing the environmental benefits to the system overall against the socioeconomic impacts on industries and regional communities of a permanent reduction in water for irrigation. As such, the development of the Basin Plan by the Murray-Darling Basin Authority (MDBA) was a lengthy and an often-contested process, involving considerable negotiation and compromise before it was finalised and became law in November 2012.

Since then, all jurisdictions have been involved in the process of implementing the Basin Plan. By June 2019, governments are due to have largely established the arrangements for a new management regime under the Basin Plan, with full implementation by 2024.

Implementing the Basin Plan and associated reforms is a complex process. Basin States must develop new planning frameworks to manage water, implement significant water recovery and infrastructure projects and develop new approaches to managing water for the environment. It is also prone to controversy as governments work through review and adjustment provisions, and issues covered when formulating the Plan are reopened. This is made more difficult as the socioeconomic impacts of rebalancing to the new Sustainable Diversion Limit (SDL) become apparent and as some communities grapple with the realities of adjustment against a background of changing commodity prices and, in the southern Basin, water trade.

What is the Commission required to do?

The terms of reference (attachment A) require the Commission to assess progress towards implementing actions required under the Basin Plan within legislated timeframes, including the:

- extent to which stated water recovery and other targets are on track to be delivered within statutory timeframes
- likelihood that activities and arrangements now in place will ensure that these targets and timeframes will be met.

¹ The Basin States are the jurisdictions of New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory

The Commission has also been asked to examine the extent to which current arrangements for implementing the Basin Plan — including for monitoring, compliance, reporting and evaluation — are likely to be sufficient to:

- support delivery of the objectives and outcomes of the Basin Plan and associated reforms (as listed in chapter 5 of the Plan)
- enable assessment of risks and risk mitigation requirements and provisions associated with Basin Plan implementation
- enable an assessment of progress in meeting the Plan's objectives and outcomes when the MDBA reviews the Plan in 2026.

The Commission has been asked to make findings on progress towards implementing the actions required under the Basin Plan. In particular, the Commission is to make recommendations on any actions required by the Australian Government or Basin States to ensure timely implementation of the Basin Plan and the effective achievement of its intended outcomes. The scope of the inquiry does not extend to considering changes to the water recovery and other targets set by governments as part of the Basin Plan.

In undertaking the inquiry, the Commission will consider a number of other reviews and audits of the Basin Plan, including those in response to allegations of water theft in the Basin that have been completed or are ongoing. In accordance with the Water Act, the Commission will consult widely including with stakeholders with interests from agriculture, industry and the environment, and Indigenous groups through submissions and public hearings. The Commission will listen to different perspectives through visits to a number of regional communities in the Basin prior to publication of the draft report. Details of these regional visits can be found on the inquiry webpage.

In addition, a stakeholder working group will be established. The purpose of the working group is to provide a consultation forum to exchange information and views on issues relevant to the inquiry. Membership of the stakeholder working group can be found on the inquiry webpage.

The Commission encourages submissions on issues relevant to the inquiry's terms of reference. As a guide to preparing submissions, this issues paper outlines what the Commission sees as the material and relevant issues; it also contains a number of questions. It is not a requirement that participants answer all the questions nor limit their submissions to the questions raised.

Initial submissions should be provided to the Commission by 19 April 2018. Attachment B provides further details on how to make a submission. There will be opportunities to make further submissions following the public release of the draft report in August 2018. Key dates for the inquiry are set out at the front of this issues paper.

2 Resetting the balance in the Basin

The Basin includes significant areas of inland New South Wales, Victoria, and the ACT, and parts of Queensland and South Australia. In the past, it was managed under state legislation with issues of common concern addressed through a formalised agreement between these jurisdictions and the Australian Government – the Murray-Darling Basin Agreement (MDB Agreement). The MDB Agreement set out arrangements for water sharing between states, river operations and other matters of common interest. The Agreement was based on a consensus decision-making model and, over time, jurisdictions collectively made a number of significant reforms, including:

- managing salinity, with the first strategy agreed in 1985
- capping water extractions across the Basin in 1995
- improving environmental flows in the River Murray through The Living Murray program, which recovered 500 GL of water for the environment and built environmental works along the River Murray.

However, the consensus-based approach to managing the Basin was challenged in the later years of the Millennium Drought (1997 to 2009). In 2006, the lowest inflows to the River Murray system were recorded, causing significant risk to the drinking water supplies of towns and cities that relied on the river and imminent risk of widespread and irreversible acidification of the Lower Lakes at the end of the river system. This triggered the Australian Government to intervene in the management of the Basin with a comprehensive initiative to reset the balance between environmental and consumptive water use and to establish a long-term and sustainable water management system for the Basin overall.

The Australian Government's initiative included:

- Commonwealth legislation – the *Water Act 2007*
- a shift from the model of consensus decision-making to one where the Australian Government was responsible for determining a maximum level of extraction for consumptive use — the SDL — with which Basin States are required to comply
- developing the Basin Plan to set a new, lower, SDL, and the framework for the sustainable management of water resources across the Basin
- creating a new independent Australian Government agency (the MDBA) to develop and oversee the Basin Plan
- providing approximately \$13 billion to recover enough water from consumptive use to achieve the new SDL whilst minimising the socioeconomic impact on irrigators and communities, and to implement sustainable water management across the Basin
- creating a Commonwealth Environmental Water Holder (CEWH) to manage water recovered for the environment.

The new approach was ultimately agreed by all Basin States who passed legislation that referred some powers for water management functions, covered in the MDB Agreement, to

the Commonwealth. In addition, the importance of the MDB Agreement was recognised and it was included in the Water Act. The Basin Plan became law in 2012.

The Basin Plan

The Basin Plan provides the guidance and legal framework to reset the balance of water use in the Basin. It sets objectives for the Basin and establishes new, lower sustainable extraction limits to achieve them. It outlines key actions, decision making processes and timeframes that Governments are to adopt to implement the Plan.

Successful implementation of the Basin Plan also depends on a range of inter-related elements to be delivered in conjunction with the Basin Plan, including:

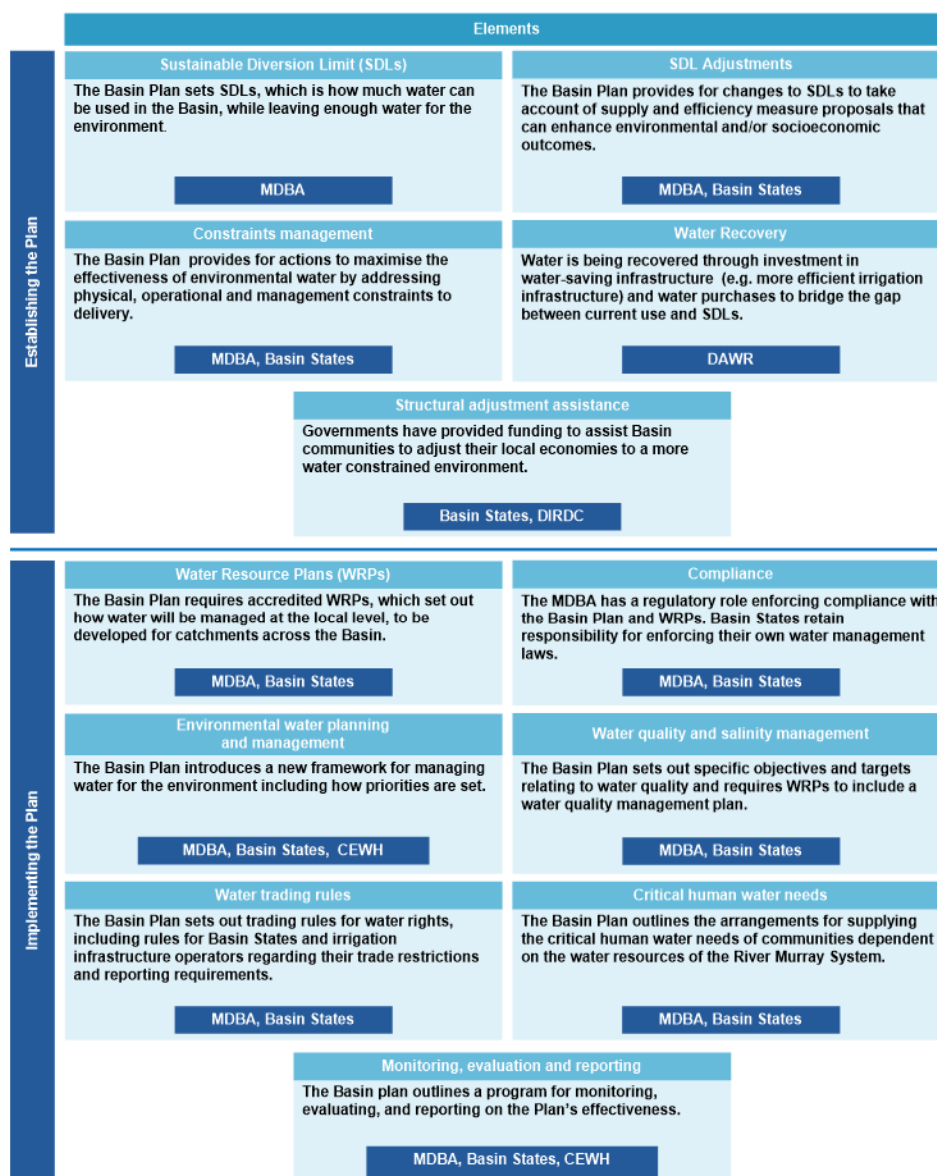
- water recovery programs, where government is investing directly in water entitlements purchase or irrigation efficiencies to recover water entitlements for the environment and enable communities to transition to new extraction limits
- structural adjustment programs aimed at assisting affected communities to adjust to reduced water availability as a result of the Basin Plan
- environmental water management activities where environmental water holders work together to deploy environmental water and achieve the environmental objectives of the Plan
- jurisdictions embedding key parts of the Plan in their normal water planning and management processes through WRPs.

The key elements for establishing and implementing the Plan are described in figure 1.

Implementation of the Basin Plan is a long-term undertaking requiring communities and institutions to adapt to the new SDLs, build new infrastructure works, implement specific projects and develop new ways of working to manage environmental water.

The timing for each of the major elements of the Plan is outlined in figure 2. Formulation of the Plan was completed in 2012. Governments are now working towards establishing the arrangements required to implement the Plan — this phase must be completed by 30 June 2019. This work includes establishing the final target for SDLs and developing WRPs which will give effect to the new SDLs, completing the majority of the water recovery.

Figure 1 Basin Plan – key elements of establishment and implementation



CEWH: Commonwealth Environmental Water Holder; **DAWR:** Department of Agriculture and Water Resources (Cwlth); **DIRDC:** Department of Infrastructure, Regional Development and Cities (Cwlth); **MDBA:** Murray-Darling Basin Authority

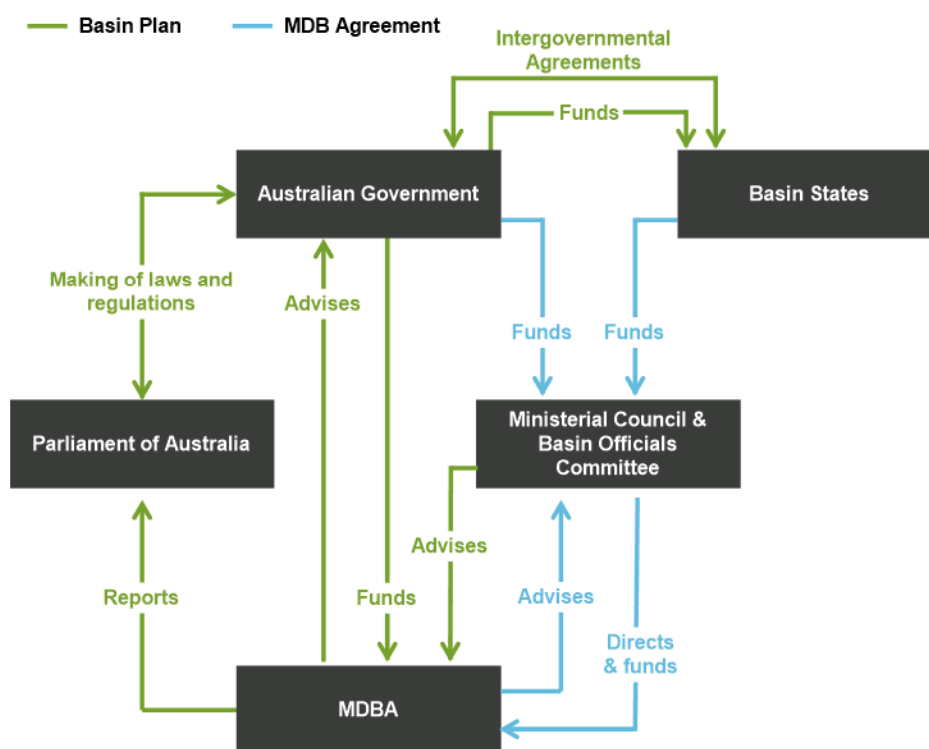
Phases of the Basin Plan



Roles and responsibilities

The Water Act and the Basin Plan are laws made by the Parliament of Australia. However, under the *Australian Constitution*, the management of water resources is vested in State and Territory Governments and, as such, each Basin State is responsible for water resource management within its jurisdiction. A number of the state responsibilities for water management, particularly in shared water resources, are managed cooperatively by Basin States and the Australian Government under the MDB Agreement. The relationships between key institutions is shown in figure 3.

Figure 3 Institutional relationships



Data source: Water Act 2007 (Cwlth); Basin Plan 2012 (Cwlth).

The Water Act, MDB Agreement and the Basin Plan result in a complex suite of governance and institutional arrangements for water management in the Basin. The complexity of the current governance arrangements is highlighted by:

- the multiple roles of the MDBA: it is an independent authority advising the Australian Government on formulation and establishment of the Basin Plan; it is a regulator that oversees, ensures compliance with and reports on the implementation of the Plan by

Basin States; and under the MDB Agreement, it is funded by and delivers River Murray operations and joint programs on behalf of the MDB Ministerial Council.

- the dual roles of the Basin Officials Committee (BOC): it directs the MDBA on MDB Agreement functions and it requires the support of and is overseen by the MDBA in undertaking its Basin Plan responsibilities.

Ultimately, the Australian Government, the MDBA and the Basin States have to work together to effectively implement the Basin Plan. The institutional and governance arrangements for the Basin are explored further in section 5.

3 The Commission's assessment approach

The Commission has been asked to assess the effectiveness of the implementation of the Basin Plan. Effectiveness is the extent to which a policy achieves its intended outcome. For the Basin Plan, the intended outcome is 'a healthy and working Basin' (Basin Plan, s. 5.02). The Plan outlines the objectives, environmental targets and the SDLs which would enable that outcome to be delivered in the longer term. In undertaking its assessment, the Commission will accept these as the starting point of the inquiry.

The Commission will assess the Basin Plan's effectiveness by gauging the extent to which the following are on track to be delivered within legislated timeframes:

- actions required to implement the various elements of the Basin Plan
- water recovery and other targets.

These will be used as proxies for the (difficult to measure) intended outcome of the Plan.

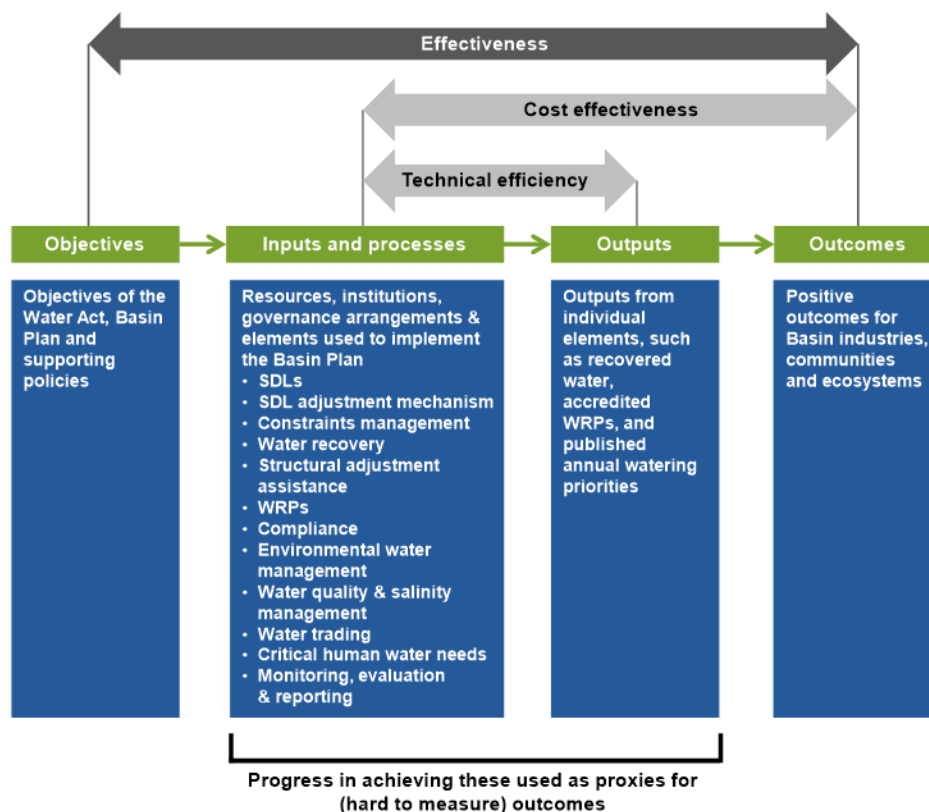
Effectiveness will be assessed in terms of the extent to which:

- current progress is on schedule for each element of the Basin Plan
- future progress is likely to meet legislated timeframes to fully implement the elements and achieve associated targets.

Where possible, and considered important, the Commission will also assess the Basin Plan's cost effectiveness (cost of achieving the intended outcome) and technical efficiency (quantity of inputs used to produce a given level of output, such as a particular volume of recovered water). The relationship between these concepts and effectiveness is outlined in figure 4.

The Commission will place greatest emphasis on assessing required actions and targets that inquiry participants and the Commission's own investigations indicate are most critical to achieving the Plan's intended outcomes. The Commission is therefore interested in early input on the actions and targets that inquiry participants consider to be most critical to achieving the Plan's intended outcomes.

Figure 4 The Commission's approach to assessing the Basin Plan



It will only be possible to quantify progress on required actions and targets for some elements, such as the number of WRPs accredited and volume of water recovered. The Commission will supplement this with a qualitative analysis of implementation of the Basin Plan, including the processes by which this is being achieved. The qualitative analysis will, among other things, examine:

- what policy instruments are being used, the extent to which they directly influence the targeted objective, and whether the objective conflicts with what is being sought and done elsewhere in the Basin Plan
- how clear are the steps to be taken, their timing, roles of different parties, and what the objective is
- risks to achieving the management objectives and outcomes, as well as any targets, set out in the Plan; uncertainty about impacts on communities, industries and the environment; and whether adaptive management is built in to policies, such as scope for timely and low-cost adjustment to policy settings in response to new information

-
- institutional and governance arrangements, for both the individual elements of the Plan and the Plan as a whole, including whether there are clear lines of responsibility and accountability; assignment of functions to agencies best equipped to deliver them; credible monitoring, reporting and enforcement; and a separation of regulatory and policy-making functions
 - whether the steps actually taken have been consistent with stated policies and agreed methodologies; how trade-offs have been made between different water uses; whether there been any observed changes to local communities, industries and the environment; and what concerns, policy flaws or barriers have been exposed during implementation that need to be addressed to achieve the intended outcome of the Basin Plan in the long term.

INFORMATION REQUEST 1

The Commission welcomes feedback on its approach to assessing the Basin Plan.

4 The key elements required to implement the Plan

The Commission's assessment will involve examining a range of inter-related factors that are broadly structured around:

- establishing the arrangements for implementing the Plan (SDLs and Adjustment; constraints management; water recovery; and structural adjustment)
- plan implementation and long-term management (WRPs; compliance; environmental water planning and management; water quality and salinity management; water trading rules; critical human water needs; and monitoring, evaluation and reporting) (figure 2).

Sustainable Diversion Limits and Adjustments

SDLs are a core element of the Basin Plan. They represent the maximum long-term average-annual quantities of water that can be taken from the water resource areas of the Basin.

The Basin Plan sets an SDL for all surface water units at 10 873 GL per year which requires a water recovery target of 2750 GL (the water recovery target is the difference between the SDL and estimated diversions prior to the commencement of the Basin Plan — the baseline diversion limit, or BDL). The SDL for groundwater take in the Basin is 3334 GL per year.

Sustainable Diversion Limit Adjustment Mechanism

The Basin Plan provides an opportunity to adjust the proposed SDLs and consequential water recovery targets prior to SDLs commencing on 1 July 2019 under certain circumstances. Under the adjustment mechanism, the surface water SDL in the southern connected part of the Basin can be increased where works and measures can be shown to achieve equivalent environmental outcomes with a lower volume of environmental water. These are known as ‘supply measures’ and can include both physical environmental works as well as operation rule changes. The maximum increase in the SDL from supply measures anticipated under the Plan is a total of 650 GL per year.

The SDL can also be reduced to enable a suite of enhanced environmental outcomes. This can occur where additional volumes of water can be recovered for the environment while maintaining or improving social and economic outcomes. These are known as ‘efficiency measures’ and can include projects to improve the efficiency of on- and off-farm irrigation. The Plan identifies a target of acquiring an extra 450 GL of water through efficiency measures and reflects modelling which found that 3200 GL in water recovery and the removal of a range of capacity constraints (explained later) would deliver the enhanced environmental outcomes as set out in schedule 5 of the Plan.

The Basin Plan limits the net change to the SDL as a result of the adjustment mechanism to 5 per cent of the SDL (or 543 GL).

Basin States are responsible for identifying and developing the business cases for potential supply and efficiency measures. The BOC must then assess the notified measures and recommend a package of adjustment measures for consideration by the MDBA. The MDBA provides advice to the Minister on the package of adjustment measures and the impact on the SDLs, but (as recent events showed) it is a disallowable instrument. The Minister then tables an amendment to the Basin Plan reflecting the decisions on adjustment in the Parliament. If allowed by the Parliament, Basin States have until 2024 to implement approved SDL adjustment projects. The MDBA can reconcile SDL adjustments in 2024 to assess whether the ‘register of measures’ have achieved equivalent environmental outcomes and, if they have not, revise the SDL accordingly.

In June 2017, the BOC submitted a package of SDL adjustment measures (including 36 supply projects) to the MDBA for consideration.² The MDBA’s assessment was that, if successful, these supply projects would achieve the equivalent environmental outcomes with a resultant reduction in the water recovery target of 605 GL (MDBA 2017d).

The Plan was amended in January 2018 to provide for the approved package of SDL adjustment measures and put to Parliament. However, the amending instrument is currently subject to a disallowance motion in the Australian Parliament which expires in May 2018.

² The list of approved SDL adjustment projects can be found on the MDBA’s website: <https://www.mdba.gov.au/basin-plan-roll-out/sustainable-diversion-limits/sdl-adjustment-proposals-state-projects>

If the amendment holds, a minimum 62 GL of water will need to be recovered through efficiency measures by 30 June 2019 to stay within the 5 per cent limit of change.

Some stakeholders have previously expressed concern about whether efficiency measures to recover the extra 450 GL can be implemented in a way that meets the Basin Plan requirement for 'neutral or improved socioeconomic outcomes' (MDBA 2017c).

In January 2018, EY (2018) delivered a report to the MDB Ministerial Council that examined opportunities to recover 450 GL in additional environmental water through efficiency measures by 2024, with neutral or improved socioeconomic outcomes. Notably the report advised 'on potential socioeconomic impacts arising from efficiency measures at a range of scales, including socioeconomic concerns that go beyond the specific legal requirements of the Basin Plan' (the Basin Plan describes 'neutral or improved socioeconomic outcomes' as being evidenced by voluntary participation in projects to recover water through works to improve water use efficiency).

If the adjustment mechanism included in the Basin Plan does not operate, then Basin States must comply with the original SDLs outlined in the Plan. This implies a consequential water recovery target of 2750 GL by 2019.

INFORMATION REQUEST 2

The Commission is seeking information on:

- a. risks that may prevent Basin States from successfully implementing SDL adjustment projects*
 - b. the extent to which adopting a different definition of 'neutral or improved socioeconomic outcomes' for efficiency measures to what is in the Basin Plan would affect the likelihood of projects being delivered on time and on budget*
 - c. whether there are other novel approaches to recovering water for the environment, such as purchase of entitlement options, that may contribute to Basin Plan outcomes while achieving neutral socioeconomic outcomes.*
-

Northern Basin Review

The Basin Plan also included provisions to review the surface water SDLs in the Northern Basin, recognising that information about water sources in this area was limited and that new information could justify changing the original SDLs.

After a three-year review process looking at new information on both environmental outcomes and socioeconomic impacts, the MDBA proposed to reduce the overall surface water recovery target in the Northern Basin from 390 GL to 320 GL provided that the Australian, New South Wales and Queensland Governments implement a number of 'toolkit measures' to improve the management of environmental water. Modelling that informed the Northern Basin Review (NBR) showed that the toolkit measures would produce similar

environmental outcomes with less water recovery, reducing the socioeconomic impact of water recovery on northern basin communities. The MDB Ministerial Council subsequently agreed in-principle to couple the reduced water recovery target with the toolkit measures (MDB Ministerial Council 2017a).

The Basin Plan was amended on 14 November 2017 to reflect changes from the NBR. However, these amendments were disallowed following a vote in the Australian Parliament on 14 February 2018. This means that, at present, the original water recovery target of 390 GL for the Northern Basin still stands.

Groundwater reviews

When the Basin Plan came into effect in 2012, there was recognition that information about some groundwater areas could be improved. Governments therefore committed to undertake reviews of SDLs for three groundwater areas to determine if the original SDLs set in the Plan should be changed to reflect new information. The planned groundwater reviews were completed in 2014. The MDBA subsequently proposed increases in SDLs in these areas, reflecting new knowledge. The Minister accepted these changes and the SDLs for groundwater sources were proposed to increase from 3334 GL per year to 3494 GL (the groundwater resources covered by the review do not have water recovery targets because levels of extraction are below the SDLs). The November 2017 Basin Plan amendments also included the outcomes of these reviews and, at this stage, they have also been disallowed.

INFORMATION REQUEST 3

The Commission is seeking information on actions governments should now take to achieve SDLs in the Northern Basin.

Constraints management

Physical, operational and management constraints in river systems can limit the size of flows that can be delivered for environmental purposes, and therefore limit the effective suite of environmental outcomes that can be achieved with improved flows. For example, constraints prevent higher flows that might flood private land or affect public infrastructure such as low bridges, limiting the extent of floodplain watering.

In the context of the Basin Plan, constraints management is a key issue for ensuring the effective delivery of environmental water. In particular, the analysis that underpinned delivering the 'enhanced environmental outcomes' (outlined in schedule 5 of the Basin Plan) from providing an additional 450 GL to the environment (above the 2750 GL water recovery benchmark) was premised on a number of existing constraints being lifted. The corollary is that if these constraints are not lifted, the additional water from the water efficiency measures outlined above will be less likely to achieve enhanced environmental outcomes.

Under the Basin Plan, the MDBA was required to prepare a constraints management strategy that identifies and describes key constraints affecting the delivery of environmental water. The MDBA (2013) published its Constraints Management Strategy in 2013 which outlined priority actions for the seven key focus areas:

- Hume to Yarrawonga (Upper Murray)
- Below Yarrawonga to Wakool Junction (Mid-Murray)
- Goulburn
- Murrumbidgee
- Lower Darling
- Gwydir (Northern Basin)
- South Australia (Lower Murray)

The strategy outlined a staged approach for the development of measures to address constraints by 2024.

Basin States are responsible for making decisions to remove constraints, developing specific constraints measures and being involved in the consideration of measures proposed by other jurisdictions. A number of constraints measures have been included in the package of supply measures mentioned above. In addition, a package of constraints measures will be considered by the MDB Ministerial Council, advised by BOC, with the final investment decision made by the Australian Government.

The Australian Government has allocated \$200 million to relax or remove priority constraints in the context of the SDL adjustment mechanism (discussed above). Once measures are approved, Basin States will be responsible for implementing measures within their respective jurisdictions, including consultation and engagement. The MDBA must report annually to the MDB Ministerial Council on progress on the matters covered by the Constraints Management Strategy.

Progress with constraints measures is at present behind the timelines set out in the Constraints Management Strategy. The MDBA undertook the prefeasibility phase of the Constraints Management Strategy during 2014. However, measures have not yet progressed past the next phase (feasibility), which was due to be completed in 2016.

Current action to lift constraints include further ‘investigation of opportunities’ to allow higher flow rates as part of measures in the SDL adjustment package³ for constraints in the Southern Basin. It was also proposed that toolkit measures (as part of the NBR) be used to

³ These measures have been assessed as constraints-as-supply measures, meaning they contribute to the supply measures assessment. The proposals to investigate constraints in the SDL adjustments package represents a change in responsibilities to the 2013 Basin Plan Implementation Agreement where the MDBA was responsible for developing and evaluating options to lift constraints.

lift the Gwydir constraint. The pathway for lifting the Gwydir constraint is no longer clear after the Parliament rejected the NBR amendments in February 2018.

INFORMATION REQUEST 4

The Commission is seeking information on:

- a. why progress to remove constraints has been slower than expected*
 - b. the implications of this slow progress*
 - c. what can be done to ensure that constraints are removed in a more timely manner while managing impacts on third parties*
 - d. strategies that are, or could be, put in place to increase the extent to which Basin Plan objectives are met when constraints cannot be removed.*
-

Recovery of water for the environment

Water recovery has to be completed as part of the establishment phase of the Basin Plan to give effect to the SDLs, provide water to protect the water-dependent ecosystems of the Basin, and support achievement of the environmental outcomes of the Plan.

The Australian Government (through the Department of Agriculture and Water Resources, or DAWR) has committed to ‘bridging the gap’ to meet the SDLs by 1 July 2019. The water it recovers is generally managed by the CEWH to support environmental outcomes.

Data published by the Australian Government indicates that, by the end of December 2017, 2106.4 GL of surface water entitlements (77 per cent of the current 2750 GL surface water target) and 2.7 GL of groundwater entitlements (7 per cent of the 40.4 GL groundwater target) had been recovered from consumptive use (DAWR 2018) (table 1).⁴ This includes 161.9 GL of surface water previously recovered by Basin States and now managed by state-based environmental water managers.

The gap to be bridged by 1 July 2019 could change if amendments to the Basin Plan to implement the SDL adjustment mechanism and NBR (discussed above) are allowed. As mentioned, the latter of these amendments was recently disallowed in the Australian Parliament, and the former is subject to a disallowance motion which expires in May 2018. Each of these amendments would reduce the surface water recovery target. The final recovery task will also depend on some planning assumptions underpinning state water resource plans.

⁴ Recovered water holdings are reported as long-term average annual yields (LTAAYs), which represent the average quantity of water allocated to a water entitlement each year.

Table 1 **Progress towards recovering water for the environment**
 As of 31 December 2017

	Surface water		Groundwater	
	Volume of water ^a	Proportion of target	Volume of water ^a	Proportion of target
	GL	%	GL	%
Water purchase	1 224	45	2.7	7
Infrastructure projects	703	26	nil	0
State and other recoveries	180	7	nil	0
Water recovered by 31 Dec 2017	2 106	77	2.7	7
Water recovery remaining	644	23	37.7	93
Water recovery target	2 750	100	40.4	100

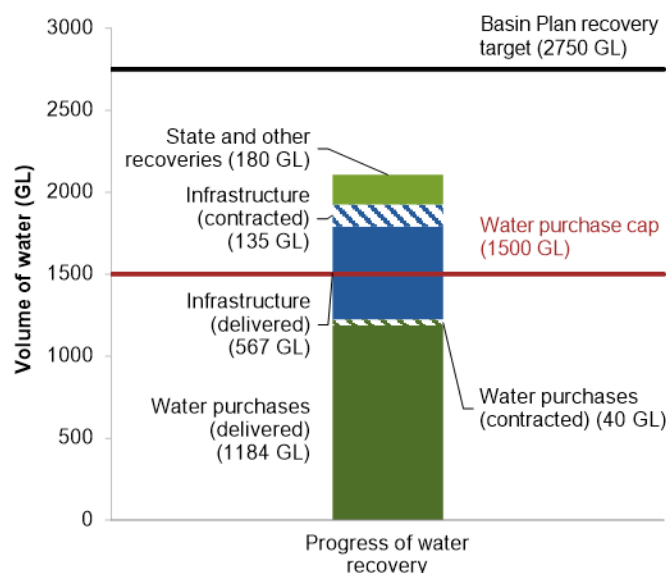
^a Long-term average annual yield (LTAAY).

Data source: DAWR (2018).

The Basin Plan does not prescribe how water is to be recovered. Water can be recovered through water entitlement purchases, and Commonwealth funded on- and off-farm infrastructure programs (programs that seek to improve the efficiency of water use, with some or all of the water savings returned to the Australian Government). To date, most of the water recovered by the Australian Government has been through water purchases (figure 5). However, the Australian Government's current water recovery strategy now explicitly prioritises recovering remaining water through infrastructure projects. Legislation passed by the Australian Parliament in 2015 placed a 1500 GL limit on surface water purchases. In December 2017, the unused portion of this limit (after taking account of past purchases) was 276 GL.

Water purchase programs and some infrastructure projects have been examined by various reviews, audits and studies, which have highlighted a number of risks and shortcomings (for example, ANAO (2011) and GHD (2015)). In the case of infrastructure projects, some studies have found that they have been less cost-effective at recovering water than water purchases (RMCG 2016), and have become more expensive over time (Loch et al. 2014). Moreover, there is a risk that infrastructure projects do not recover the expected volume of water because, in some projects, water savings are not transferred to the Australian Government upfront.

Figure 5 **Surface water recovery progress^a**
 As of 31 December 2017



^a Volume of water in long-term average annual yield (LTAAY) terms.

Data source: DAWR (2018).

The environmental objectives of the Basin Plan are premised on water recovery being undertaken in the right place and with the right mix of entitlement types. It is also premised on targets being met within legislated timeframes. Ongoing delays, or the absence of a credible pathway, would create uncertainty for Basin industries and communities, and pose risks to finalising water recovery within budget.

INFORMATION REQUEST 5

The Commission is seeking information on:

- the extent to which the Australian Government's strategy to recover water in areas where gaps remain will be cost effective, align with the Basin Plan's environmental objectives, and be transparent*
- risks to achieving water recovery targets by 1 July 2019 and, where not already addressed under current arrangements, how any shortfalls may be resolved*
- examples of water recovery (both infrastructure projects and purchases) that have been either well implemented or had major deficiencies, including risks to securing contracted but not yet delivered water from water-saving infrastructure projects.*

Structural adjustment assistance

The intended outcome of the Basin Plan as a whole includes ‘productive and resilient water-dependent industries, and communities with confidence in their long-term future’. Given the impacts that the Basin Plan is expected to have on some Basin communities, the Australian Government has provided funding to assist those communities to adjust their local economies to a more water-constrained environment (in addition to investment through water recovery). Unlike on- and off- farm infrastructure programs (that seek to improve efficiency in water use), structural adjustment funding is largely premised on diversifying the economic base of affected communities.

The Australian Government is assisting Basin communities to adapt through the *Murray-Darling Basin Regional Economic Diversification Program*. This program has committed \$73 million to assist Basin communities with structural adjustment, with specific projects selected by Basin States, in consultation with the Australian Government Minister for Regional Development.⁵ In Queensland, funding to date has, among other things, been used to develop the horticulture industry (Queensland Government 2017). In New South Wales, funded projects have supported a diverse range of industries, including manufacturing, cheese making, aquaculture and grain processing (New South Wales Government nd).

INFORMATION REQUEST 6

The Commission is seeking information on:

- a. *what specific assistance has been provided to help communities adjust to the Basin Plan*
 - b. *the extent to which this assistance has supported particular industries or regions*
 - c. *evidence that this assistance has facilitated adjustment that would not have otherwise occurred and has contributed to meeting the intended outcome of the Basin Plan, including more resilient industries and communities with confidence in their long-term future*
 - d. *whether future structural adjustment assistance is warranted, and if so, what lessons can be learnt from past programs.*
-

Water resource plans

WRPs are the key element through which Basin States will implement the Basin Plan. Prior to the Basin Plan taking effect in 2012, Basin States managed water resources in the Basin through catchment-based and/or system-based water planning arrangements to achieve state water resources management objectives and those of the MDB Agreement. WRPs are designed to ‘bring together existing state rules and instruments, along with other

⁵ Approximately \$15m of this funding was allocated to Queensland, \$33m to New South Wales and \$25m to Victoria. No funding has been committed to South Australia or the ACT (DIRDC 2017).

supplementary material, to provide a plan for managing water resources in a way that is consistent with the Basin Plan' (MDBA 2017a, p. 2). Once accredited, WRPs will set out how water is to be managed in each WRP area in the Basin, in particular specifying how water will be shared and managed to achieve the SDLs (MDBA 2017g).

There are 36 WRP areas across the Basin (five in Victoria, 22 in New South Wales, four in Queensland, three in South Australia and two in the ACT).⁶

Accreditation of plans

Basin States are responsible for developing WRPs consistent with Basin Plan requirements. The MDBA is responsible for assessing whether WRPs meet the requirements of the Basin Plan and making recommendations to the Australian Government Minister for Agriculture and Water Resources on whether WRPs should be accredited. The MDBA is also required to assist Basin States in developing WRPs and has been providing states with a range of guidance material. It is also responsible for ensuring compliance with WRPs (discussed below under compliance). Accredited plans must be in place by 30 June 2019.

The Basin Plan sets out 54 requirements that WRPs must address to be accredited. Some of these requirements are about process — such as consultation with stakeholders and providing information — others relate to the inclusion of specific content — such as complying with SDLs and planning for environmental watering.

According to the MDBA (2017c) many of the requirements can be easily met by existing state arrangements. However, there are some new requirements, such as the water accounting and compliance framework, where this may not be the case (discussed below). In the MDBA's (2017c) Basin Plan Evaluation, implementation of WRPs within required timeframes was found to be at risk. The MDBA noted that the development and accreditation of WRPs was progressing slower than initially envisioned with only one plan, in the Warrego-Paroo-Nebine, finalised and accredited by December 2017 and 31 still in preliminary stage of development (in 2014 it was projected 14 WRPs would be accredited by 2017 (MDBA 2017c, p. 45)). The MDBA attributed slow progress to:

- the need for the MDBA to provide guidance on addressing requirements
- the need to ensure plans submitted to the MDBA are supported by sufficient evidence that demonstrates they comply with all the requirements
- potentially too few resources allocated to this task (MDBA 2017c, p. 46).

⁶ The Basin Plan Amendment Instrument 2017 changed the number of WRP areas from 36 to 33 by merging Eastern Porous Rock with Western Porous Rock to form NSW Murray Darling Basin Porous Rock ground water WRP area, Lachlan and South Western Fractured Rock with New England Fractured Rock and Northern Basalts to form NSW Murray-Darling Basin Fractured Rock groundwater WRP area and merging the surface and groundwater WRP areas of Moonie and Queensland Border Rivers. This amendment was disallowed by Parliament on 14 February 2018.

An update on the progress of the WRP development to accreditation process issued in January 2018 (MDBA 2018b) showed that two WRPs are in the assessment phase (Wimmera-Mallee surface and groundwater) and one WRP is in the accreditation phase (SA Murray Region). The rest of the WRPs, yet to be accredited, are still in the development phase.

If Basin States are at risk of not having their WRPs accredited in the statutory timelines (by 30 June 2019), the MDBA has two options (MDBA 2017e):

1. take compliance action where there are inconsistencies between Australian Government and state laws, or
2. use the step-in provisions of the Water Act to develop its own enforceable plan.

Transitioning to SDL accounting and compliance

WRPs must include methods for demonstrating how compliance with SDLs will be achieved under different climate scenarios. In particular, WRPs must include methods for calculating permitted annual take as well as methods for monitoring and reporting actual take.

The MDBA maintains an annual register of diversions based on data and estimates provided by Basin States. From 1 July 2019, the register will widen in scope to require data or estimates for all types of surface water and groundwater-takes rather than only certain types of surface water diversions. In preparation for the new accounting system, the Basin States have submitted a set of trial accounts for 2012–16 in the required format (MDBA 2017f).

The MDBA's (2017c) Basin Plan Evaluation found that the MDBA and Basin States must complete a large body of work to develop a robust basis for measuring water take and transparent reporting on SDL compliance, and assessed the transition to SDL accounting and compliance as at risk.

The MDBA suggested key areas of focus to improve the standard of SDL accounting should include: reviewing hydrological models to account for water take; improving methods for estimating forms of non-metered take (particularly floodplain harvesting in New South Wales and Queensland); improving the accuracy and reliability of metering; and reviewing network gauging stations.

INFORMATION REQUEST 7

The Commission is seeking information on:

- a. the main risks to remaining WRPs being finalised and accredited by mid-2019*
 - b. how, and to what extent, recent measures to make the WRP accreditation process more efficient and streamlined have sped up the preparation of WRPs and whether there are opportunities to further streamline the accreditation process for WRPs*
 - c. other ways WRPs or associated planning processes (e.g. consultation, modelling inputs) could be changed to better meet the objectives of the Basin Plan*
 - d. how effective Basin States have been in consulting with all relevant stakeholders*
 - e. the main risks to planning assumption work being finalised on time.*
-

Environmental water planning and management

The Basin Plan outlines a range of environmental objectives designed to protect and restore the health and resilience of Basin ecosystems. The use of environmental water (planned⁷ and held⁸ water) will be vital to achieving these objectives. Specific actions in the Basin Plan for use of environmental water are:

- planning for use of environmental water
- coordination of environmental water delivery
- prerequisite policy measures (PPMs)
- complementary works
- monitoring and evaluation of environmental outcomes.

The first four of these are explored below. Issues relating to the monitoring and evaluation of environmental outcomes are explored later in this paper.

Environmental water planning

Processes to coordinate planning, prioritisation and use of environmental water are outlined in an Environmental Management Framework contained in chapter 8 of the Basin Plan. The framework obliges the MDBA to:

⁷ Planned environmental water is that which is used to achieve positive environmental outcomes through rules on consumptive water users or river operators that constrain the volume and timing of extractions or require releases from storages under certain conditions.

⁸ Held environmental water is that which governments possess and use specifically to achieve positive environmental outcomes. Held water is managed by environmental water holders established by governments, with the majority held by the CEWH.

-
- prepare a Basin-wide environmental watering strategy that further articulates the environmental outcomes of the Basin Plan and how these can be achieved. A strategy was first published in 2014 and must be reviewed every five years (MDBA 2014a)
 - identify Basin annual environmental watering priorities (MDBA 2017b). These must be published before the commencement of the water accounting period each year.

The framework also obliges Basin States to:

- prepare long-term watering plans, which set long-term objectives for the use of environmental water in individual WRP areas — these must be reviewed and updated at least every five years
- identify annual environmental watering priorities in each WRP area — these must be provided to the MDBA by 31 May each year unless otherwise agreed.

Long-term watering plans and annual watering priorities must be consistent with the Basin-wide environmental watering strategy. Basin States have to submit long-term watering plans and WRPs to the MDBA. The MDBA is responsible for reviewing and accrediting WRPs.

The Basin-wide environmental watering strategy, long-term watering plans, and annual Basin-wide and state watering priorities have all been published within legislated or agreed timeframes thus far (MDBA 2017c).

Coordination of environmental water delivery

The effective delivery of environmental water is a responsibility shared between the MDBA, CEWH, Australian Government, and Basin States, as well as other holders of held environmental water and managers of planned environmental water.

The CEWH manages the largest portfolio of held environmental water in the Basin. Some Basin States also hold water entitlements for environmental use, and/or manage Australian Government holdings. The MDBA manages some held environmental water through The Living Murray program.

The Water Act requires the CEWH to manage its environmental water holdings in accordance with the Basin-wide environmental watering strategy, while the Basin Plan requires all environmental water holders to operate in accordance with the Basin annual environmental watering priorities. If environmental watering is undertaken other than in accordance with the Basin annual environmental watering priorities, a statement must be provided to the MDBA outlining the reasons why, within four months of the end of that water accounting period.

State environmental water holders and the CEWH coordinate decisions regarding the use of planned and held environmental water, guided by the key planning documents outlined above. Water is delivered in collaboration with river operators, waterway managers, non-government organisations and communities.

Prerequisite Policy Measures

Achievement of the Basin Plan's environmental objectives through the use of held and planned water is dependent on Basin States implementing the Prerequisite Policy Measures (PPMs) outlined in the Basin Plan by 30 June 2019. PPMs promote efficient use of environmental water by:

- ensuring it is protected in-stream ('shepherding')
- allowing environmental water users to be credited for return environmental flows
- allowing environmental water users to release held environmental water from dams to complement natural flow events ('piggy-backing').

The hydrological modelling underpinning the Basin Plan assumes that PPMs are all fully implemented. PPMs are therefore critical to achieving the environmental outcomes specified by the Plan. If they are not implemented, the ability to achieve the environmental objectives of the Basin Plan may be compromised.

Basin States have submitted their plans for implementing PPMs and these have all been approved by the MDBA. In its 2017 Basin Plan Evaluation report, the MDBA (2017c) emphasised the importance of implementing PPMs within the legislated timeframe. It is unclear whether Basin States are on track to meet this deadline.

Complementary works

Achievement of the Basin Plan's environmental objectives depends not only on the use of held and planned water but also on the environmental management regimes for the rivers and wetlands of the Basin. These include the undertaking of complementary works, including habitat restoration, the management of pest species, water quality improvement and land and catchment management. These actions sit outside the Basin Plan and are undertaken within natural resource management programs. The integration of environmental watering and these programs is critical to the achievement of environmental outcomes.

INFORMATION REQUEST 8

The Commission is seeking information on:

- a. *how environmental water planning under the Environmental Management Framework is, or is not, facilitating achievement of the Basin Plan's environmental objectives within legislated timeframes, and what improvements should be made.*
 - b. *how effective and efficient the delivery of environmental water is — including through coordination among owners of held environmental water, managers of planned environmental water and other stakeholders — and how any barriers could be reduced*
 - c. *whether Australian and State Government objectives for the delivery of environmental water align, any examples of where this has not been the case, and how differences are resolved through the Environmental Management Framework*
 - d. *the extent to which the Prerequisite Policy Measures (PPMs) assumed to exist under the Basin Plan will be in place by the target date of 30 June 2019, so that the Plan's environmental objectives can be achieved under the SDLs agreed by governments, and how any identified concerns should be addressed*
 - e. *any opportunities to better integrate environmental water planning and management with natural resource management programs and complementary works to facilitate achievement of the Basin Plan's environmental objectives.*
-

Water quality and salinity management

Maintaining the quality of Basin water is crucial for a healthy environment, farming, industries, human consumption, recreation and cultural needs. Threats to water quality include high salinity, blue-green algae blooms, low dissolved oxygen (including blackwater), suspended matter, nutrient deposits and toxicants.

The Basin Plan builds on decades of collaborative work by Basin States to manage water quality, particularly salinity. It contains specific objectives so that Basin water quality is fit for purpose for all uses including the environment, human consumption, recreational users and for irrigation. It also includes a salt export objective for the River Murray system.

The Basin Plan sets out a range of water quality targets⁹ for each water resource area for freshwater ecosystems, irrigation water and recreational use and reflects the end of valley salinity targets agreed by jurisdictions in the MDB Agreement. Collectively, these targets inform the development of Water Quality Management Plans, a requirement of Water Resource Plans. The Basin Plan puts obligations on Basin States, river operators, environmental water holders and the managers of planned environmental water to have regard to targets when making flow decisions.

⁹ These targets are based on national water quality guidelines including those for drinking water, recreational water, and fresh and marine water.

The MDBA is required to report annually on its assessment of the salt export objective and salinity targets for flow management. A key recommendation of the MDBA's (2017c) Basin Plan Evaluation was that the appropriateness of the water quality and salinity targets and the salt export objective be considered when they are scheduled for review in 2020.

INFORMATION REQUEST 9

The Commission is seeking information on:

- a. any inconsistencies between the various national water quality guidelines and the water quality management plan requirements in WRPs and whether these inconsistencies are being resolved and managed*
 - b. the adequacy of the actions of water managers to achieve the water quality objectives of the Basin Plan.*
-

Water trading rules

Water trading provides benefits to the community by allowing water to move to higher value uses. Trade has given irrigators greater flexibility to respond to changes in water availability and adapt their businesses, and has encouraged more efficient water use.

The Basin Plan water trading rules aim to facilitate opportunities for trade while protecting the interests of third parties and the needs of the environment. They provide a common framework for the trading of water rights in the Basin¹⁰, and include rules and reporting requirements for Basin States and irrigation infrastructure operators. The Basin Plan also seeks to enable the appropriate mix of tradeable water products, such as lease arrangements, to develop and evolve over time.

The rules build on a range of incremental reforms which have enabled water trade to expand significantly since the 1980s, both within Basin States and between them under the MDB Agreement (NWC 2011). Between 2007-08 and 2015-16, the volume of entitlement trade in the Basin increased by 71 per cent and surface water allocation trade increased by 266 per cent (ABARES 2017).

The Basin Plan water trading rules also contain requirements relating to market information and those that aim to support confidence in the market. Water announcements including those regarding seasonal allocations or carryover arrangements must be made generally available. In addition, persons aware of a market announcement must not enter into trades informed by that information until the information is generally available.

The trading rules came into effect in July 2014, although Basin States have until their transitional or interim water resource plans expire (July 2019) to ensure that their water

¹⁰ Water rights include water access entitlements, water allocations, water irrigation rights and water delivery rights.

trading rules are consistent with the Basin Plan trading rules (MDBA, CEWH & Basin State Governments 2013).

The MDBA is taking a risk-based approach to assessing whether Basin States' existing trading rules are consistent with the Basin Plan (MDBA 2017c). Its highest priorities are trade restrictions, and the disclosure and management of water announcements (MDBA 2016c).

To support the implementation of the Basin Plan, a water trade working group has been established to provide advice to the Basin Plan Implementation Committee (discussed in section 5) on issues related to the water trading rules and guidelines, and the operation of the water market (MDBA, CEWH & Basin State Governments 2013). The MDBA consults with the Basin States through this working group as part of its examination of the consistency of Basin States' trading rules with the Basin Plan.

Under the Basin Plan, the MDBA may request advice from the ACCC if it is required to prepare a declaration on the consistency of a Basin State's trade restriction. The ACCC also has a role under the Water Act to provide advice to the MDBA on the Basin Plan trading rules, both in their development and if they are amended.

Basin States will need to address inconsistent trade restrictions by 2019 in conjunction with the development of WRPs. Failure to do so may hinder incremental improvements to the effectiveness and efficiency of the water market.

INFORMATION REQUEST 10

The Commission is seeking information on:

- a. whether the Basin Plan trading rules advance the water trading objectives and outcomes stated in chapter 5 of the Plan*
 - b. whether changes to state trading rules made to date as part of implementation of the Basin Plan adequately recognise and protect the environment and third party interests*
 - c. whether implementation of the Basin Plan has improved access to market information and what further actions Basin States, irrigation infrastructure operators or the MDBA might need to take*
 - d. whether processes for reviewing Basin State trading rules — including the roles of the MDBA and the water trade working group — are sufficiently transparent, evidence-based and consultative.*
-

Critical human water needs

During the Millennium Drought, when inflows were at a record low, Basin States faced the prospect of being unable to meet water for critical human needs in the River Murray. In

response, jurisdictions agreed that in the River Murray system, critical human water needs (CHWN) should be prioritised above all and developed specific water sharing rules for periods of water scarcity. These were then included in the MDB Agreement and the Water Act, and are reflected in the Basin Plan.

CHWN are the minimum amount of water that can reasonably be provided from Basin resources to meet:

- core human consumption requirements in urban and rural areas that are dependent on Basin water resources
- non-human consumption requirements that, if not met, would cause prohibitively high social, economic or national security costs (Water Act s. 86A(2)).

The minimum volume of water required to enable the delivery of CHWN (conveyance water) has highest priority, after which water is then allocated to meet CHWN.

Water sharing is based on a three tiered approach whereby tier one represents normal water availability, tier two is very low water availability and tier three is extremely low water availability. The Basin Plan defines triggers for moving between the water sharing tiers.

Since the Basin Plan came into effect, the MDBA has not declared either tier two or tier three water sharing arrangements. In 2015-16 the MDBA conducted a drought preparedness project (including a review of the Millennium Drought conditions) to consider how these actions would fit under new governance arrangements (MDBA 2016a).

The Basin Plan also requires all WRPs to include provisions for responses to extreme events, including severe droughts and water quality events that risk the supply of critical human needs.

INFORMATION REQUEST 11

The Commission is seeking information on:

- a. risks to meeting critical human water needs (CHWN) under the Basin Plan, how the Plan addresses these risks, and what, if any, further measures are required*
 - b. any concerns about provisions in WRPs relating to CHWN under extreme conditions.*
-

Compliance

Compliance is a key element of the Basin Plan implementation. There are various compliance activities and responsibilities across different aspects of the Plan. The MDBA is responsible for taking actions to enforce compliance with the Basin Plan and WRPs (including SDL compliance). The Basin States are responsible for ensuring compliance with their own water laws, such as rules governing water take.

Compliance regimes need to be effective, both keeping cost to a reasonable level, but also ensuring community confidence.

MDBA compliance and enforcement

The Water Act and the Basin Plan introduced a new regulatory and compliance role for the MDBA (MDBA 2014b). One of the MDBA's key roles is to ensure compliance with SDLs. This role includes assessing whether Basin States have arrangements in place to measure and maintain SDL compliance (as part of the WRP accreditation process discussed above) and, from 1 July 2019, maintaining and publishing a register of take for each SDL resource unit (MDBA 2017e). The MDBA's other Basin Plan compliance and regulatory activities include handling of allegations of non-compliance (with the Basin Plan or WRPs) against individuals, publishing annual statements of assurance on Plan implementation, overseeing implementation of the Basin Plan water trading rules and education and awareness (MDBA 2017e). Tools available to the MDBA to enforce compliance include injunctions, declarations, enforcement notices and civil penalties.

A recent compliance review by the MDBA and an Independent Panel found that the MDBA must be more assertive in performing its compliance and enforcement role across the Basin (MDBA 2017e). It proposed that the MDBA's compliance powers be available consistently across the Basin, which will require a regulatory amendment to ensure this is the case in the lead up to the accreditation of state water resource plans by 30 June 2019.

In response to the review, the MDBA committed to revise its compliance and enforcement strategy, adopt a clear escalation pathway for handling allegations of non-compliance, make its expectations for compliance clear, commence an auditing program across the Basin, and report publicly on handling and progress of compliance matters.

The MDBA has established an Office of Compliance, an Independent Assurance Committee and an online register to report on the handling and progress of compliance matters reported to the MDBA.

State compliance and enforcement

Although Basin States must bring their water planning laws into alignment with the Basin Plan, they retain responsibility for their own water management arrangements. For example, Basin States are responsible for enforcing their own water laws to prevent illegal water take and ensuring individual entitlement holders fulfil their licence obligations (MDBA 2017a).

A Four Corners investigative report into water management in the Basin broadcast on 24 July 2017 raised major concerns about compliance with and enforcement of water laws in the Basin. This resulted in a number of investigations into compliance at both the Basin and state level, some of which are still ongoing (Matthews 2017; MDBA 2017e). A review undertaken by the MDBA and an Independent Panel found 'compliance systems and activities in some

jurisdictions are more effective than in others' and 'all Basin State regulators need [to] be more active, consistent and transparent in enforcing compliance' (MDBA 2018a). The South Australian Government has launched a state royal commission to investigate the operations and effectiveness of the Murray-Darling Basin system (Murray-Darling Basin Royal Commission 2018).

Some state government agencies have already committed to changes in compliance arrangements in response to recent reviews. For example, the NSW Government has announced a 'Water Reform Package' and established the new Natural Resources Regulator (Niall Blair 2017).

At its 19 December 2017 meeting, the MDB Ministerial Council (2017b) tasked Basin officials to develop a draft Basin Compliance Compact that will detail a compliance implementation framework in response to the issues identified in recent reviews. The framework is to include specific plans for improving compliance and enforcement activities for each Basin State and for the MDBA, and for transparent reporting and accountability arrangements on progress. The Council is scheduled to consider the framework at its first meeting in 2018, prior to consideration by COAG. As agreed at this meeting, an independent person has been appointed to assess and review all the investigations currently being undertaken about the Basin on compliance and provide advice on implementation.

The Commission will consider how governments are responding to recommendations of recent compliance reviews as they relate to implementation of the Basin Plan.

INFORMATION REQUEST 12

The Commission is seeking information on:

- a. risks to the MDBA's ability to monitor and enforce compliance with the Basin Plan and WRPs from July 2019, and what, if any changes should be made to address these risks*
 - b. the extent to which non-compliance with the Basin Plan will be addressed by recent changes to compliance and enforcement announced by governments*
 - c. any further changes that should be introduced to increase water take compliance across the Basin.*
-

Monitoring, evaluation and reporting

Monitoring, evaluation and reporting is required to determine whether the objectives of the Basin Plan are being met. It is also necessary to discern what approaches and actions are working, and to contribute to adaptive management of the Basin.

To be effective, and to support adaptive management, monitoring, evaluation and reporting on the Plan should be entrenched in the Plan's processes and timetables. It should also be

published in a timely manner and focus on measuring outcomes (as opposed to inputs or efforts).

Chapter 13 of the Basin Plan outlines the program for monitoring and evaluating the Basin Plan. Schedule 12 of the Plan provides a breakdown of the matters to be evaluated and reported on (including the extent to which the Plan has affected social, economic and environmental outcomes in the Basin), the party responsible for this, and the frequency with which reporting is to occur.

Monitoring, evaluating and reporting on the Basin Plan is a responsibility shared by the MDBA, the Australian Government, Basin States and environmental water holders. Broadly speaking, the MDBA is responsible for monitoring and evaluation of the Plan as a whole — looking at outcomes on a Basin-wide scale — while Basin States are responsible for monitoring and evaluating their own state-level actions and outcomes. Depending on the impacts or outcomes being examined, monitoring, evaluation and reporting may be done with participation from relevant experts (such as scientists) or local groups.

The outputs of monitoring, evaluation and reporting will not only track progress, but feed into reviews of the Plan (including the 10 yearly review scheduled in 2026), and contribute to improving the operation of the key elements (both in the short and long term) through adaptive management. Monitoring, evaluating and reporting on the Basin Plan is informed by the Framework for Evaluating Progress published by the MDBA (2014c), which broadly outlines the methods and data sources to be used to evaluate how the Plan is being implemented and whether its intended outcome is being achieved.

Key monitoring, evaluation and reporting publications to date include the NBR (MDBA 2016b), Basin Plan annual reports produced by the MDBA (MDBA nd), the MDBA's work on socioeconomic impacts (of which more is expected to be released in April 2018), and most significantly, the 2017 Basin Plan Evaluation. The latter found that there is scope to improve monitoring and reporting requirements, and that there should be a focus on shifting to more evaluative reporting (MDBA 2017c).

The evaluation also found that there are early signs of positive responses from native fish, waterbirds and vegetation as a result of the provision of environmental water (MDBA 2017c). That said, the Productivity Commission's draft inquiry report on National Water Reform warned that efforts to monitor environmental outcomes within the Basin appear fragmented and that a strategy that coordinates the monitoring and evaluation of the outcomes from environmental water in the Basin — both planned and held — should be developed (PC 2017).

INFORMATION REQUEST 13

The Commission is seeking information on:

- a. *how well current arrangements for monitoring, evaluation and reporting support the delivery of the objectives of the Basin Plan; and how they could be improved to increase the likelihood of the objectives being met*
 - b. *whether there is a clear delineation of responsibilities for monitoring, evaluating and reporting on the Basin Plan, and, if not, how it could be improved*
 - c. *the usefulness of the MDBA's Framework for Evaluating Progress and its recent application in evaluating the Basin Plan*
 - d. *how data and information obtained through monitoring, evaluation and reporting could be made more useful for decision making and evaluation of the Basin Plan (including how to make this data and information more outcomes-focused)*
 - e. *the general information required to provide confidence to communities and others that the Plan is being implemented well and is achieving its objectives*
 - f. *whether processes are in place to monitor key risks to the continued availability of Basin water resources.*
-

5 Basin institutional and governance arrangements

The establishment and implementation of the Basin Plan is a shared responsibility of the Australian Government and the Basin States. In addition, the MDBA and the Basin States have shared responsibility for managing the Basin's water resources as established by the MDB Agreement.

Successful implementation of the Basin Plan requires:

- institutional arrangements with clear lines of responsibility and accountability that promote co-operation and are broadly understood by stakeholders
- processes that are comprehensive and enable governments to coordinate, make joint decisions, manage risks and resolve differences
- assignment of functions to agencies best equipped to deliver them and to ensure separation of regulatory and policy-making functions
- institutions that are open and transparent, focused on continuous improvement, and suitably equipped to perform their roles.

If institutional arrangements and processes for co-operation are not working well, or an organisation is performing poorly, the likelihood of effective implementation is diminished.

As outlined in section 2, the institutional and governance arrangements for water management in the Basin are complex. These roles and responsibilities are outlined in table 2.

Table 2 Basin Plan and resource management responsibilities

	Australian Government	MDBA	Basin States	Productivity Commission
SDLs and adjustments		▲	▲	
Constraints management		▲	▲	
Water recovery	▲		▲	
Structural adjustment	▲			
Water Resource Plans	▲	▲	▲	
Compliance with SDLs & Plan		▲		
Environmental water management	▲	▲ ■	▲	
Water trading	▲	▲ ■	▲ ■	
Critical human water needs		▲ ■	■	
Water quality and salinity		▲ ■	▲ ■	
Monitoring, evaluation and reporting		▲	▲	▲
River management, asset management and operation		■ River Murray	■	
Water entitlements, individual compliance			■	

▲ Basin Plan ■ MDB Agreement

Data Sources: Water Act 2007 (Cwlth), Basin Plan 2012 (Cwlth).

The Basin Plan is underpinned by multilateral and bilateral intergovernmental agreements. These agreements commit parties to implementing the Basin Plan, and provide the basis for funding to support implementation. Key intergovernmental agreements include:

- Intergovernmental Agreement for Implementing Water Reform in the Murray Darling Basin (COAG 2013)
- National Partnership Agreement on Implementing Water Reform in the Murray Darling Basin (COAG 2014)
- Bilateral partnership agreements for the delivery of specific projects or activities to contribute to the implementation of the Basin Plan.

A recent limited assurance review, by the Australian National Audit Office (ANAO), on the National Partnership Agreement on Implementing Water Reform in the Murray-Darling Basin found that the lack of specific, measurable deliverables and outcome measures in the milestones and criteria for assessing the performance against this agreement, was a significant weakness (ANAO 2017).

In addition to intergovernmental agreements, an inter-agency agreement — the Basin Plan Implementation Agreement — was struck between the MDBA, Basin States and the CEWH (MDBA, CEWH & Basin State Governments 2013). This agreement establishes the Basin Plan Implementation Committee (BPIC) to monitor, review and make decisions relevant to implementing the Plan and the MDBA's Annual Plan Implementation Work Program. BPIC is supported by working groups of officials. The MDBA (2017c) reported that the terms of reference of these working groups has been reviewed annually. In addition to BPIC, the SDL Adjustment Assessment Committee (SDLAAC) was established to advise BOC on the notification of SDL Adjustment projects (COAG 2013).

The MDBA's (2017c) Basin Plan Evaluation noted evidence of a lack of community confidence and support for implementation, which was compounded by confusion about roles and responsibilities in water management and reform. It reported that there had been no detailed analysis of the effectiveness of the different cooperative arrangements that guide implementation of the Basin Plan. The MDBA recommended a review of governance to streamline arrangements, identify gaps, ensure that arrangements remain effective and to improve transparency, accountability and timeliness of implementation.

INFORMATION REQUEST 14

The Commission is seeking information on:

- a. whether current institutional and governance arrangements provide for sufficient oversight of the plan and support engagement with the community*
 - b. whether there are risks to the achievement of the objectives of the Plan that arise from the current institutional and governance arrangements*
 - c. what improvements can be made to ensure that institutional and governance arrangements are fit for the next phase of implementing the Plan.*
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Attachment A

Terms of reference

Productivity Commission Act 1998

Murray-Darling Basin Plan: Five-year assessment

I, Scott Morrison, Treasurer, pursuant to Parts 2 and 3 of the *Productivity Commission Act 1998*, hereby request that the Productivity Commission (the Commission) undertake an Inquiry into the effectiveness of the implementation of the Basin Plan and water resource plans.

Background

The Basin Plan provides for the integrated management of water resources of the Murray-Darling Basin in ways that promote the objects of the *Water Act 2007 (Cth)* (Water Act), including the objective of optimising social, economic and environmental outcomes.

Under section 87 of the Water Act the Commission is required to undertake five-yearly assessments of the effectiveness of the implementation of the Basin Plan and water resource plans. This inquiry is the first such assessment.

Scope of the inquiry

In accordance with the provisions of Part 3 of the Water Act, the Commission is to report on the matter of the effectiveness of the implementation of the Basin Plan and the water resource plans for the five year period ending 31 December 2018.

In undertaking the Inquiry, the Commission should assess:

- progress towards implementing the actions required under the Plan within legislated timeframes, including:
 - the extent to which stated water recovery and other targets are on track to be delivered within statutory timeframes; and
 - the likelihood that activities and arrangements now in place will ensure that these targets and timeframes will be met.
- the extent to which the current framework for implementing the Basin Plan, including the framework for monitoring, compliance, reporting and evaluation, is likely to be sufficient:

-
- to support delivery of the objectives and outcomes identified in Chapter 5 of the Basin Plan, acknowledging that the Basin Plan is not yet fully implemented and that many of the outcomes will only be observable over a longer timeframe;
 - to enable assessment of risks and risk mitigation requirements and provisions associated with Basin Plan implementation; and
 - to enable an assessment of progress in meeting the Plan's objectives and outcomes under the next scheduled review of the Basin Plan in 2026.

In assessing progress towards Basin Plan implementation, the Commission should report on progress towards milestones agreed in the Murray-Darling Basin Ministerial Council's report to the Council of Australian Governments, *Implementing the Basin Plan*. Specifically, the Commission should focus on progress towards a pathway for three key priorities including:

- supply measures to offset the Basin Plan water recovery target of 2,750 GL by 2019, using the Sustainable Diversion Limit (SDL) adjustment mechanism;
- constraints measures to address impediments to delivering environmental water; and
- efficiency measures to recover an additional 450 GL by 2024, consistent with the Basin Plan legal requirement to achieve neutral or improved socio-economic outcomes.

In undertaking this assessment, the Commission should have regard to the *Intergovernmental Agreement on Implementing Water Reform in the Murray Darling Basin (2013)*, and the *Basin Plan Implementation Agreement* between the Murray-Darling Basin Authority (MDBA), Basin states and the Commonwealth Environmental Water Holder (CEWH).

In undertaking this assessment, the Commission should also have regard to reviews and audits that have recently been completed or are ongoing, including those relating to compliance and Basin Plan implementation.

The Commission should also have regard to the differing responsibilities of the Basin states and the Australian Capital Territory, the Department of Agriculture and Water Resources (DAWR), the CEWH and the MDBA.

The Commission should assess progress towards full implementation in the context of the differing timeframes applicable to each key component of the Basin Plan. This includes an assessment of the extent to which Commonwealth and state-led water recovery efforts and state water resource plans are on track for when SDLs take effect from 1 July 2019.

The Commission should make findings on progress to date and recommendations on any actions required by the Commonwealth or Basin state or territory to ensure the timely implementation of Basin Plan requirements and the effective achievement of Basin Plan outcomes.

Process

In undertaking the inquiry, the Commission should consult widely including establishing a stakeholder working group in accordance with section 89 of the Water Act, inviting public submissions, holding public hearings, and releasing a draft report to the public. The Commission should consult with relevant Australian Government, Basin state and territory government agencies, key interest groups and affected parties. These consultations should include, but not be limited to, parties with interests in agriculture, industry and the environment, and Aboriginal groups. The Government has asked Basin jurisdictions to co-operate with this Inquiry, including by providing the Commission with the information it considers necessary in undertaking its Inquiry.

The final report is to be provided to the Government by 31 December 2018.

Scott Morrison
Treasurer

[Received 7 March 2018]

Attachment B

How to prepare a submission

Submissions may range from a short letter outlining your views on a particular topic to a much more substantial document covering a range of issues. Where possible, you should provide evidence, such as relevant data and documentation, to support your views.

Generally

- Each submission, except for any attachment supplied in confidence, will be published on the Commission's website shortly after receipt, and will remain there indefinitely as a public document.
- The Commission reserves the right to not publish material on its website that is offensive, potentially defamatory, or clearly out of scope for the inquiry or study in question.

Copyright

- Copyright in submissions sent to the Commission resides with the author(s), not with the Commission.
- Do not send us material for which you are not the copyright owner — such as newspaper articles — you should just reference or link to this material in your submission.

In confidence material

- This is a public review and all submissions should be provided as public documents that can be placed on the Commission's website for others to read and comment on. However, information which is of a confidential nature or which is submitted in confidence can be treated as such by the Commission, provided the cause for such treatment is shown.
- The Commission may also request a non-confidential summary of the confidential material it is given, or the reasons why a summary cannot be provided.
- Material supplied in confidence should be clearly marked 'IN CONFIDENCE' and be in a separate attachment to non-confidential material.
- You are encouraged to contact the Commission for further information and advice before submitting such material.

Privacy

- For privacy reasons, all **personal** details (for example, home and email address, signatures, phone, mobile and fax numbers) will be removed before they are published on the website. Please do not provide these details unless necessary.

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- You may wish to remain anonymous or use a pseudonym. Please note that, if you choose to remain anonymous or use a pseudonym, the Commission may place less weight on your submission.

Technical tips

- The Commission prefers to receive submissions as a Microsoft Word (.docx) files. PDF files are acceptable if produced from a Word document or similar text based software. You may wish to research the Internet on how to make your documents more accessible or for the more technical, follow advice from Web Content Accessibility Guidelines (WCAG) 2.0 <<http://www.w3.org/TR/WCAG20/>>.
- Do not send password protected files.
- Track changes, editing marks, hidden text and internal links should be removed from submissions.
- To minimise linking problems, type the full web address (for example, <http://www.referred-website.com/folder/file-name.html>).

How to lodge a submission

Submissions should be lodged using the online form on the Commission's website. Submissions lodged by post should be accompanied by a submission cover sheet.

Online* www.pc.gov.au/inquiries/current/basin-plan

Email* basin.plan@pc.gov.au

* If you do not receive notification of receipt of your submission to the Commission, please contact the Administrative Officer.

Due date for submissions

Please send submissions to the Commission by **19 April 2018**

Cr John Coulton

Laura Carroll - Graduation

The Mayor congratulated The Gwydir News reporter on completing her Degree and graduating at a recent ceremony. The Mayor's comments were supported with acclamation from the meeting.

Cr John Coulton

Green Camel Meeting

The Mayor updated the meeting on a recent visit to the Shire by representatives from Green Camel. The Mayor's comments outlined a possible investment partner for Stages 2 to 4 being introduced to Council by Green Camel.

Cr Stuart Dick

Proposed Laundromat Bingara

Cr Dick advised the meeting that he was approached by the owner of this development at the Community Meeting night at Bingara with several concerns regarding his treatment during the DA stage and the heavy vehicle traffic noise at night outside his residence.

The meeting was advised on the current position on both these issues.

Cr Stuart Dick

Solar Panel Implementation

Cr Dick requested an update on the implementation of solar panels on various Council properties, which was provided.

Cr Stuart Dick

Hazard Reduction Burns

Cr Dick advised the meeting that it is proposed to conduct control hazard reduction burns in Warialda, Copeton Dam and Coolatai over the next few weeks.

Cr Stuart Dick

Water Quality in Bingara

Cr Dick requested a report be prepared outlining why the water quality in Bingara is so poor at the moment and what is being done to correct the problem. The meeting was advised that the requested report will be provided.

Cr Geoff Smith

Local Land Services Meeting

Cr Smith advised the meeting that he and the Mayor met with representatives of the Local Land Services recently in Warialda. Two outcomes in particular require some attention from this Council. These are how do we assist the LLS to increase its funding to meet to threat posed to agriculture from feral pigs and the invasive spread of mimosa. Cr Smith requested that the staff consider these matters and report back to Council.

Cr Marilyn Dixon OAM

Maintenance Items Requiring Attention

Cr Dixon requested that the following matters be inspected and that the appropriate action be initiated:

The street lights on the Gwydir River Bridge are not working;

The road up to the Bingara Lookout requires maintenance according to Bingara Lions; and;

The general tidiness of the Bingara streets especially outside the Council Chambers requires attention.

The meeting was advised that these matters will be attended to in an appropriate manner.

Cr Catherine Egan

TV reception

Cr Egan requested that the staff investigate the cause of the current reduced quality in the TV reception available in the Bingara area. The meeting was advised that the matter will be investigated.

Cr Catherine Egan

Maitland Street Heritage Listing

Cr Egan requested confirmation as to whether Maitland Street's concrete pavement has been heritage listed. The matter will be investigated and Cr Egan will be advised.

Cr Catherine Egan

Warialda Engineering & Welding Pty Ltd

Cr Egan asked if the appropriate development application has, as yet, been lodged for the Council sold land adjacent to the proposed Warialda loop road. The meeting was advised that no DA has been lodged.

Cr Catherine Egan

Council Property Sales

Cr Egan requested confirmation that the proposed property sale in Warialda is progressing as planned, which was provided.

Cr Frances Young

Local Landcare Association

Cr Young advised the meeting that she attended the local Landcare Association meeting.

General Manager

Potential Land Sale

The General Manager advised the meeting that a developer interested in possibly purchasing land in Plunkett Street Warialda has contacted the Council requesting an indicative price. The general view was that until the land is placed on the market no action should be taken.

General Manager

Adam Marshall

The meeting was advised that Mr Adam Marshall will be in the Shire on Wednesday 18th April 2018 at 10 am to make a significant funding announcement. All Councillors will be invited directly from Adam's office.

Meeting closed 10.45 am

This is page number 97 of the minutes of the Community Services and Planning Committee held on Thursday 12 April 2018

Chairman