



V21/435#34
Your Ref: D21/3658

Mr Bryce Wilde
Executive Director
Natural Resources Commission
Level 6, 52 Martin Place
SYDNEY NSW 2000

Dear Mr Wilde

Response to the audit of the Floodplain Management Plan for the Gwydir Valley Floodplain 2016

Dear Mr Wilde

Thank you for your letter of 9 August 2021 regarding the Natural Resources Commission's (NRC) audit of the implementation of the Floodplain Management Plan for the Gwydir Valley Floodplain 2016.

I note the report included positive findings in relation to processing of water access licences and dealings, translation of mandatory conditions, tools in place to manage water access licence accounts and application of available water determinations. It is also noted that there are several areas where further work is required.

The Department of Planning, Industry and Environment has considered each of these recommendations and suggested actions in the attached tables. The department is progressing several areas of work which I believe will contribute to addressing matters identified within the audit. These are:

1. considering how to best implement a plan for monitoring environmental outcomes from implementing the NSW Floodplain Harvesting Policy and the floodplain management plans (R1)
2. progression of an amendments register and process to document proposed amendments and their consideration (R4, SA4)

The Department has also progressed sharing and improved accessibility of spatial data and model updates with NRAR and WaterNSW to support the approvals assessment process (R2.2).

The outcomes of this work, along with the Commission's audit and Department's recent review under Section 43 of the *Water Management Act 2000*, will inform the next steps in relation to this plan. If you require additional information or wish to discuss this matter further, please contact Peter Hyde, Director Inland Planning at peter.hyde@dpie.nsw.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Jim Bentley'.

Jim Bentley
CEO – NSW Water Sector

Attachment A – Tables

Table 1: Audit findings and recommendations relevant to DPIE Water (Gwydir FMP)

Findings	Recommendations	DPIE Water comment
Provisions related to vision, objectives, strategies, and performance indicators under Part 2 of the Plan were not implemented in the audit period.	R 1 DPIE-Water to lead the monitoring and evaluation of performance indicators and to use generated data to support decision making for Plan implementation.	R 1 Agree. DPIE Water will scope FMP monitoring and evaluation requirements and implementation. This work is anticipated to be progressed by mid-2022.
Cumulative impacts are not being assessed for new flood work applications under clauses 30(2), 40(5) and 46(5) of the Plan.	R 2.2 DPIE-Water to regularly update the model and provide this updated model information to WaterNSW and NRAR to enable approval assessment officers to undertake cumulative impact assessments for new approvals going forward.	R2.2 - Agree. Model updates are covered by a Digital Data Licence Agreement between WaterNSW and DPIE Water. DPIE Water to integrate model updates into business as usual for floodplain management. The Gwydir FMP model update has commenced as of August 2021.
Mandatory conditions to give effect to flood work approvals (approvals) for the Plan were not applied in accordance with Section 100(1)(a) and Section 100 (1A) of the Act.	R 3.1 DPIE-Water to write mandatory conditions necessary to give effect to requirements of the Plan and code them into WLS so they will automatically apply to new approvals going forward, whilst maintaining existing discretionary conditions. R 3.2 DPIE-Water to issue an instruction to WaterNSW to re-issue the Statement of Approvals to existing approval holders inclusive of mandatory conditions.	R3.1-3.2 Agree. The Department is progressing work in line with this recommendation. We anticipate the work will be progressed in late 2021.
Due consideration has not been given to non-mandatory amendments	R 4 DPIE-Water to formalise and implement a process for documenting the: <ul style="list-style-type: none"> decision making process that underpins how and whether to implement potential amendments status of potential amendments 	R4 - Agree. DPIE Water has established an Amendment register for all FMPs - the Department will incorporate this information into a water management database should be operational from September 2021. DPIE Water is scoping an amendments process as part of business as usual floodplain management and should roll out in the coming months.

Table 2: Observations and suggested actions relevant to DPIE Water (Gwydir FMP)

Observations	Actions	DPIE Water comment
<p>O 1 There is no transparent reporting of plan performance in relation to progress towards achieving stated objectives.</p>	<p>SA 1 DPIE-Water to publicly report on progress towards objectives of the Plan</p>	<p>SA 1. Agree. DPIE Water will publicly report on any monitoring and evaluation that provides information on progress towards plan objectives. This work is anticipated should progress in mid-2022.</p>
<p>O2.1: Available technical guidance is not integrated into current processes and procedures to improve the quality of impact assessments of flood work approval applications.</p> <p>O2.2: Information is not available to WaterNSW to determine if new applications have been refused or remain undetermined under Part 8 of the Water Act 1912 per clauses 39 and 45 of the Plan.</p>	<p>SA 2.1.1: DPIE-Water to finalise technical guidance for the Plan and make these available for WaterNSW and NRAR water regulation officers to use when assessing approvals to ensure a consistent approach between assessments undertaken by these two organisations. In preparing these procedures DPIE-Water should integrate the Office of Environment and Heritage (OEH) Implementation Guidelines where appropriate.</p> <p>SA 2.1.3 DPIE-Water to provide technical expertise to NRAR and WaterNSW as required to support assessment of flood works against hydraulic, environmental, and cultural assets.</p>	<p>SA2.1.1 - Agree. DPIE Water to finish flood work chapter for licensing procedure manual in consultation with WNSW, NRAR and DPIE EES where appropriate, by mid-2022, pending funding for business as usual floodplain management work.</p> <p>SA2.1.3 - Agree. DPIE Water to integrate the provision of technical advice to business as usual for floodplain management over the coming year.</p>
<p>O 3.3 The extent of structures and the associated potential downstream risks to life, property, and environmental or cultural assets is not clear or transparent.</p>	<p>SA 3.3 DPIE-Water to quantify and identify the locations of structures that do not meet hydraulic or environmental criteria impacting the floodway network and creating downstream risks for life, property, environmental or cultural assets. DPIE-Water to partner with NRAR to address problems proportional to the level of risk and or impact.</p>	<p>SA3.3 - Agree. DPIE Water is working with the Commonwealth to secure funding to complete an accelerated flood work compliance program in the northern Basin. The Commonwealth is currently considering the Hotspots Strategy Business Case, and a decision is expected in September 2021. If funding is secured, work will commence immediately.</p>
<p>O 4 Due consideration has not been given to proposed amendments to further protect ecological, cultural and heritage assets</p>	<p>SA 4 DPIE-Water to consider amending the Plan to incorporate high priority amendment provisions including:</p> <ul style="list-style-type: none"> • provisions for ecological, cultural and heritage site enhancement works to enable the connection of flows to ecological assets in Management Zones A and D 	<p>SA4 - Agree. DPIE Water has established an Amendment register for all FMPs. These suggested amendments, along with those recommended in the S43 review report for the Gwydir FMP have been added to the register for consideration. DPIE Water is scoping an amendments process as part of business as usual floodplain management. Business as usual work and should be rolled out in the coming months.</p>

	<ul style="list-style-type: none">• provisions in Zone D method to include lagoons and water bodies, in particular Ramsar Wetlands• provisions in the Dictionary to include a specific definition of wetlands.• provisions in Schedule 1 to improve recognition of known ecological assets.	
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