

1 March 2023

Bryce Wilde
Executive Director
Natural Resources Commission
Level 6, Martin Place
Sydney NSW 2000

Dear Bryce,

Audit of the implementation of the Upper and Lower Namoi Floodplain Management Plans

Thank you for your letter dated 20 January 2023 and the enclosed final report for implementation of the Upper and Lower Namoi Floodplain Management Plans (FMPs) as required by Section 44 of the *Water Management Act 2000* (Act).

WaterNSW notes that a response to the audit report was provided by Amanda Jones (V23/18#1) to the NRC on 24 February, incorporating some initial feedback from WaterNSW. This response supplements that response with more detail and provides updates that have occurred since then.

WaterNSW also notes that the audit concluded overall that on balance the provisions of the Plan have not been given full effect to in accordance with the Act. We also note that the majority of the main recommendations are attributed to DPE-Water as the coordinating agency. WaterNSW commits to working with DPE-Water in the implementation of the recommendations.

WaterNSW offers the following detailed responses to each of the recommendations attributed to us.

Table 1 WaterNSW Response to Audit findings and Recommendations

Findings	Recommendations
<p>F2.1 The Commission identified some converted flood work approvals in the Water Register for which there was no floodplain management plan listed, which may not allow appropriate management of these approvals. The Commission has also seen evidence of at least 12 current flood work approvals in the Water Licensing System with no floodplain management plan listed.</p>	<p>R 2.1.1 WaterNSW to identify and assign any flood work approvals for its customers in the Upper Namoi and Lower Namoi Plan areas which are not currently assigned to their floodplain management plan in the approvals system and the Water Register.</p> <p>R 2.1.2 DPE-Water to work with WaterNSW to put a process in place to resolve floodplain management plan gaps for flood work approvals in the approvals system and the Water Register for its customers in the Upper Namoi and Lower Namoi Plan areas.</p>
<p>WaterNSW Comment: WaterNSW has completed the review of flood work approvals for its customers across all Floodplain Management Plans and all flood work approvals are now assigned to the relevant FMP in the approvals system and the Water Register.</p>	
<p>F2.2 One out of four approvals granted during the audit period under the Upper Namoi Plan did not meet the requirements of the plan, which is not in accordance with Section 95(3) of the Act.</p>	<p>R2.2 WaterNSW to update assessment templates and/or work procedures to ensure that approvals are not granted for flood works that do not meet plan requirements.</p>
<p>WaterNSW Comment: The Commission's review of applications was from the commencement of FMP 2019 (Upper Namoi) and 2020 (Lower Namoi), and therefore some applications reviewed will have been processed prior to WaterNSW having completed updates to its assessment templates as well as undertaken staff training to ensure that approvals are not granted for flood works that do not meet the plan requirements, both of which we have now done.</p>	
<p>F2.3.1 Although flood work assessment checklists and hydraulic reviews record an assessment of compliance with the plans, the assessments do not clearly document the management zones that are considered.</p>	<p>R2.3.1 WaterNSW to update flood work assessment templates to clearly document all applicable management zones and demonstrate assessment of the requirements of each applicable management zone in accordance with Part 8 of the plans.</p>
<p>WaterNSW Comment The Commission's review of applications was from the commencement of FMP 2019 (Upper Namoi) and 2020 (Lower Namoi), and therefore some applications reviewed will have been processed prior to WaterNSW having completed updates to its assessment templates as well as undertaken staff training to ensure that assessments are able to clearly demonstrate the assessment against the requirements of each management zone, both of which we have now done.</p>	
<p>F2.3.2 Current and future approval management systems do not allow multiple management zones to be recorded against a single flood work.</p>	<p>R2.3.2 WaterNSW to develop the WAVE system to allow flood works spanning multiple management zones to be accurately recorded against those zones.</p>
<p>WaterNSW Comment: WaterNSW recognises that the ability for flood works to be linked to multiple management zones is not in the current system, but will be included in the WAVE Roadmap, subject to prioritisation and funding.</p>	

<p>F2.3.3 Statements of approval list only one management zone for each flood work even where works span multiple zones.</p>	<p>R2.3.3 WaterNSW to determine an approach for assessing officers to identify and record management zones for flood works that span multiple management zones when transferring the data contained in the Water Licensing System into the replacement WAVE system.</p>
<p>WaterNSW Comment: <i>WaterNSW recognises the need to ensure that quality data is captured into the new WAVE platform. The requirement to identify and record all applicable management zones for each flood work is not in the current system but will be included in the WAVE Roadmap, subject to prioritisation and funding.</i></p>	
<p>F2.4 Cumulative impact assessments for flood works in zones AD and D in the Upper Namoi and zones AD, AID and D in the Lower Namoi under Part 8 of the plans do not appear to have occurred and flood work assessment templates do not explicitly demonstrate implementation of this requirement. Aspects of the required timing and responsibility for these cumulative impact assessments is unclear.</p>	<p>R2.4 WaterNSW to work with DPE-Water to determine and document responsibilities, timing and triggers to enable cumulative impact assessments as described in Clauses 40(6) and 52(6) of the Upper Namoi Plan and Clauses 40(2), 42(3) and 50(2) of the Lower Namoi Plan.</p>
<p>WaterNSW Comment: <i>WaterNSW is committed to working with DPE Water to ensure that cumulative impact assessments are undertaken and made available to WaterNSW for assessing future flood work approvals.</i></p>	

If you have any questions or comments on the above, please contact our Manager, Regulatory Strategy Rob O'Neill (rob.oneill@waternsw.com.au; 0423 896 587).

Yours sincerely,

Andrew George
Chief Executive Officer