

Natural Resources Access Regulator

Level 11, 10 Valentine Ave, Parramatta Locked Bag 5022, Parramatta NSW 2124 T 1800 633 362 www.industry.nsw.gov.au/nrar

Our ref: OUT20/11406

Mr Bryce Wilde Executive Director Natural Resources Commission GPO Box 5341 Sydney NSW 2001

Email: bryce.wilde@nrc.nsw.gov.au

Dear Mr Wilde,

Final report: Audit of the implementation of the Floodplain Management Plans for the Lachlan, Murray and Murrumbidgee

Thank you for your email of 31 August 2020 providing NRAR with the Natural Resources Commission's final audit report for the floodplain management plans (FMPs) in the Lachlan, Murray and Murrumbidgee valleys.

I note that while the Commission considers the provisions of the FMPs have not been given full effect in accordance with the *Water Management Act 2000* (NSW), there are no recommendations specific to NRAR and the audit acknowledges our role as an independent regulator that takes a risk-based approach to compliance.

In accordance with our risk-based approach, NRAR's proactive compliance activities for floodplain management are focused on two pilot projects in the Gwydir and the Barwon-Darling valleys. Our planned proactive compliance work in this area supports the implementation of the Australian and NSW Government-funded NSW Healthy Floodplains project and is explained in the document 'Floodplain management: our compliance approach to flood works'. This document highlights our intention to eventually broaden our proactive compliance focus to include other valleys, effectively putting the regulated community on notice of our regulatory approach to floodplain management in NSW.

In addition to proactive compliance activities, NRAR employs a reactive compliance approach across NSW. I welcome your recognition of the reactive compliance approach and supporting processes that we have implemented in the FMP areas during the audit period.

In considering the Commission's audit role more broadly, I would also like to take this opportunity to commend the Commission's initiative to develop and make publicly available the Audit Framework for Water Management Plan Audits. This framework provides an important reference for NRAR staff and the wider community and contributes to ensuring water is managed in an effective, efficient, transparent and accountable manner.

I thank you for the copy of the Terms of Reference for the Audit Process Stakeholder Group. I have asked NRAR's representative, Tim Gilbert, to provide further NRAR feedback on the audit's suggested actions through that group as appropriate.



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Regarding the audit's suggested actions, the NRAR Executive is considering these suggestions for improving FMP implementation as we review our regulatory priorities and strategic plan and in the context of the Department of Planning, Industry and Environment's proposed review of FMPs.

Should you require further information, you may contact Tim Gilbert, Director Regulatory Capability and Coordination on 0436 341 105 or timothy.gilbert@nrar.nsw.gov.au.

Yours sincerely

Grant Barnes

Chief Regulatory Officer Natural Resources Access Regulator

8 October 2020