

3 September 2024

Professor Hugh Durrant-Whyte
Commissioner
Natural Resources Commission
Level 6, Martin Place
Sydney NSW 2000

Audit of the implementation the Hastings and Bellinger Alluvial Water Sharing Plan

Dear Professor Durrant-Whyte,

Thank you for your letter dated 24 June 2024 and the enclosed final report for assessing implementation of the Hastings and Bellinger Alluvial Water Sharing Plan (WSP) as required by Section 44 of the *Water Management Act 2000* (Act).

As requested, we have reviewed the report and provide the responses set out below.

WaterNSW notes that the audit concluded overall that on balance the provisions of the Plan have not been given full effect in accordance with the Act. WaterNSW commits to resolving the recommendations assigned to us and working with the Department of Climate Change, Energy, the Environment and Water's (DCCEE) Water Group in the implementation of the recommendations where we are jointly identified.

If your team have any queries, I recommend they please contact our Regulatory Compliance Specialist Rebecca Reid (E: rebecca.reid@waternsw.com.au M: 0476 644 008).

Yours sincerely,

A handwritten signature in blue ink, appearing to be "Andrew George".

Andrew George
Chief Executive Officer

Table 1 WaterNSW response to audit findings and recommendations

Findings	Recommendations	Plan
<p>5.1 DCCEEW advised that water licence holders can determine their eligibility to take water according to flow class thresholds by viewing gauge data on the WaterNSW WaterInsights portal for the relevant gauges specified in the Plans. It also advised that where flow class thresholds do not apply to licences but other flow-related rules are detailed in the Plan, licensees are to apply visual cues. This may include licensees observing river flow in a location closest to the groundwater work, to assess whether take is permitted. Clause 41(3) in the Bellinger Plan and Clause 43(4) in the Hastings Plan also require the provision of advice on flow class restrictions where gauge data is inaccurate. The Commission has identified instances of missing data against gauges identified in the Plan. The audit did not receive any evidence to enable the assessment of whether take was occurring according to the flow class thresholds specified by the Plans and applied to licences.</p> <p>DCCEEW and WaterNSW have advised that changing the way information is presented in the WaterInsights portal would require significant resourcing and would need to be managed against competing priorities. Providing clarity when water users</p>	<p>5.1 DCCEEW to work with WaterNSW to develop a tool to clearly communicate to water licence holders which flow classes are in effect to assist them in determining when take is permitted. This work should be progressed over time, considering resourcing requirements and competing priorities. The tool should build on the gauge data already available in the WaterInsights Portal.</p>	<p>Hastings and Bellinger</p>

Findings		Recommendations	Plan
	can take water would be beneficial for unregulated systems across NSW and it is important to take steps to progress this work, while considering other resource requirements.		
WaterNSW comment			
This recommendation relates to what is called “Active Management” in unregulated rivers. WaterNSW currently undertakes Active Management in some parts of NSW by generating Access Announcements on the WaterInsights platform. This is done for the Barwon-Darling, Lower Gwydir and Lower Macquarie-Bogan, in accordance with the Active Management Procedures Manuals for each geographic area. These come under the mandate of the NSW Active Management Policy. Therefore, the tool is already developed, however implementing this tool in other geographic areas requires customisation of WaterInsights and development of systems and procedures that sit behind it. Therefore, as noted in the report, to roll this out on a broader scale requires significant work and funding. WaterNSW is not expected to have relevant funding in the near term to deliver these enhancements but we will have further discussion with DCCEEW on potential additional geographic areas for Active Management and where the Hastings/Bellinger fits within priorities.			
6.1	DCCEEW and WaterNSW have procedures and systems for governing the water supply work approval process, however this audit identified gaps relating to the explicit documentation and assessment of certain rules under Part 9 of the Plans. During the audit period, manuals, procedures, and assessment summary sheets did not require specific assessment against, or explicit documentation of compliance against, all the water supply works approval provisions. Compliance with Plan provisions should be explicitly documented for all assessments.	6.1 DCCEEW and WaterNSW to finalise updates to their procedures and systems governing the water supply work approval process. DCCEEW and WaterNSW to continue to update processes and templates to assess and explicitly document compliance with the provisions for water supply works approvals under Part 9 of the Plans, including rectification of gaps identified in R 6.2 and R 6.3 below.	Hastings and Bellinger
WaterNSW comment			
WaterNSW has completed the update to Water Supply Works Approval (WSWA) processes, templates, and the assessment summary sheet to be more explicit that Part 9 has been addressed.			
6.2	The Plans require assessment of potential sources of contamination near water supply works, including the	6.2a WaterNSW to develop a process to support the assessment and documentation of compliance against the Plans' schedule	Hastings and Bellinger

	Findings	Recommendations	Plan
	<p>requirements (in Schedule 5 in the Hastings Plan and Schedule 2 in the Bellinger Plan):</p> <ul style="list-style-type: none"> a) on-site sewage disposal systems and septic tanks, b) any site that has been declared to be significantly contaminated land under the <i>Contaminated Land Management Act 1997</i>, c) any sites that are or have been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i> from time to time. <p>The Commission did not sight evidence of assessment of Hastings Plan Schedule 5(b) or (c), or Bellinger Plan Schedule 2(c) for relevant sampled works approved by WaterNSW. WaterNSW and DCCEEW have previously advised there is no process for assessment of (c) and that processes have not been updated since the last audit.</p>	<p>requirement for assessment of contamination sources including “any site that is or has been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i> from time to time”.</p> <p>6.2b After completion of R6.2a, WaterNSW to assess and explicitly document compliance against the Hastings Plan’s schedule requirement for assessment of contamination sources including:</p> <ul style="list-style-type: none"> a) any site that has been declared to be significantly contaminated land under the <i>Contaminated Land Management Act 1997</i>, b) any sites that are or have been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i> from time to time. 	
	<p>WaterNSW comment</p> <ul style="list-style-type: none"> • Recommendation 6.2a has been agreed as an action for DCCEEW. • For recommendations 6.1a and 6.2b: WaterNSW has since reviewed its processes and updated the relevant assessment summary sheets to explicitly document compliance with the schedule requirement for assessment of contamination sources. • Recommendation 6.2b - WaterNSW will work collaboratively with DCCEEW to implement a process that identifies a site that is or has been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i>. WaterNSW will update its procedure once this work is complete. 		
6.3	The Plans require assessment of water supply work approvals located near groundwater-dependent culturally significant	6.3a DCCEEW to continue developing a process to support the identification of groundwater-dependent culturally significant	Hastings and Bellinger

Findings	Recommendations	Plan
<p>areas under Hastings Plan Clause 55 and Bellinger Plan clauses 58 and 59(1)(d). DCCEEW and WaterNSW have previously identified that there are currently no processes to provide sufficient information to allow an assessment of groundwater dependent culturally significant areas. DCCEEW has identified the need to “develop a program to identify and enhance protection of groundwater dependent cultural sites and values in a culturally appropriate way.”</p> <p>The Commission did not sight evidence demonstrating assessments of groundwater-dependent culturally significant areas for any of the relevant water supply work approvals processed by WaterNSW during the audit period.</p>	<p>areas to enable assessments of potential impacts from proposed water supply work approvals.</p> <p>6.3b Upon completion of R 6.3a, WaterNSW to assess and document compliance with the provisions under Part 9 of the Plans for water supply works near groundwater-dependent culturally significant areas.</p>	
<p>WaterNSW comment WaterNSW will work with DCCEEW to consistently assess impacts on groundwater dependent culturally significant areas. Once we have collaboratively developed this process, we will update our procedure.</p>		
<p>8.2 While some mandatory conditions required to give effect to the take of water required by the Bellinger Plan were observed on licences, there were gaps in application relating to groundwater take for one sampled water access licence as WaterNSW had not assigned it to a management zone in the Water Licensing System.</p>	<p>8.2 WaterNSW to complete the review of water access licences in the Bellinger Plan area to ensure all licences have been assigned to a management zone where relevant, and therefore relevant mandatory conditions applied.</p>	Bellinger
<p>WaterNSW comment WaterNSW will review water access licences in the Bellinger Plan area to ensure all licences have been assigned to a management zone where relevant, and relevant mandatory conditions are applied.</p>		