

2015

**THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY**

**Government Response to the Auditor General Report No 3 of 2015 -
Restoration of the Lower Cotter Catchment**

Presented by
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INTRODUCTION

As part of the 2014-15 Performance Audit Program, the Auditor-General undertook a review of the effectiveness of management strategies employed by the ACT Government and Icon Water in the management of the Lower Cotter Catchment (LCC).

The Audit looked to establish;

- the extent to which roles, responsibilities and accountabilities for the management of the LCC are appropriately defined;
- if management actions identified in the Lower Cotter Catchment Strategic Management Plan 2007 have been implemented and are co-ordinated with other environmental management strategies;
- the existence of appropriate monitoring, review and oversight of management actions; and
- if management objectives are being met.

The Auditor-General's Performance Audit Report No. 3/2015 – *Restoration of the Lower Cotter Catchment* (the audit report) at Attachment C was tabled on 20 May 2015.

GOVERNMENT RESPONSE:

Recommendation 1: DEVELOPING A CODE OF CATCHMENT MANAGEMENT

A Code of Potable Water Catchment Management, to direct land management activities in the LCC, should be developed, in consultation with: Territory and Municipal Services, Icon Water, the Environment and Planning Directorate and the Environment Protection Authority, by December 2016

A lead agency has not been nominated as it may be affected by a decision in relation to Recommendation 5.

(The Code of Potable Water Catchment Management could be based on a review of the ACT Code of Forest Practice 2005 and be used as a standard and a condition contained in environmental authorisations for the LCC. It should be consistent with the Australian Drinking Water Guidelines and consistent with provisions of the TAMS and ACTEWAGL, Code of Practice: Practical guidelines and standards for co-operation for maintenance works.)

Response: AGREED

TAMS will work with other relevant Directorates to develop a Code of Practice for Potable Water Catchment Management.

It is important that management activities including minor and major construction works follow best practice principles to ensure the protection of water quality values. A Code of Practice will outline best practice not only for construction works, but also other management activities undertaken in the catchment such as pest plant and animal control, visitor access controls, and bushfire fuel hazard reduction works. Importantly the Code will be guide all ACT Government agencies and their contractors operating in the LCC.

As a first step, TAMS will review other potable water catchment codes already in existence and also consider the ACT Code of Forest Practice, and the Australian Drinking Water Guidelines.

Recommendation 2: REVIEW OF MANAGEMENT AGREEMENT

The purpose and intention of the Management Agreement between the Conservator of Flora and Fauna and Icon Water (ActewAGL Distribution)—as it relates to the Lower Cotter Catchment—should be reviewed by the Conservator to determine if the agreement should specifically exclude the Lower Cotter Catchment.

(There may be no substantial basis for the inclusion of the Lower Cotter Catchment, as its inclusion in the agreement is only needed if Icon Water's actions might conflict with the management objectives for the catchment, in particular, protecting the water supply. If the Conservator considers that an agreement is necessary, the reasoning for including the Lower Cotter Catchment should be documented in the agreement being developed.)

Response: AGREED

Further to the Audit Report and due to the restructure of Actew Water (now Icon Water) and ActewAGL Distribution, and the associated redistribution of assets, the Conservator of Flora and Fauna has resolved to review all existing Management Agreements with ActewAGL and Icon Water.

Negotiations have commenced at officer level with Icon Water regarding the content of the agreement. The new agreement will likely narrow the scope of application to the Canberra Nature Parks and environs. If it is determined that further agreements are required these will be developed as site specific instruments.

Recommendation 3: IMPLEMENT THE TAMS AND ICON WATER CODE OF PRACTICE

The ACT Code of Practice which guides maintenance works on Controlled Land should be implemented by the Territory and Municipal Services Directorate and Icon Water, giving particular attention to the information-sharing and approval processes for annual operations plans and works plans.

(If the Conservator of Flora and Fauna specifically excludes the Lower Cotter Catchment from the Management Agreement (Recommendation 2) then Icon Water and Territory and Municipal Services Directorate should develop a Memorandum of Understanding to integrate their activities using the ACT Code of Practice.)

Response: AGREED

TAMS and Icon Water developed a document with agreed standards and processes for works to be undertaken on Controlled Land called *Code of Practice: Practical guidelines and standards for co-operation for maintenance works*. The intent of the document was to give clarity to both organisations that works undertaken by one agency would not be inconsistent with the priorities and outcomes of the other.

TAMS and Icon Water will work together to ensure staff are aware of the provisions of the Code and both agencies are informed, in a timely way, on intentions to carry out works.

Recommendation 4: REVIEW AND FINALISE THE PARKS AND CONSERVATION SERVICE CODE OF SUSTAINABLE LAND MANAGEMENT

The status of the draft Parks and Conservation Service, Code of Sustainable Land Management should be reviewed and either finalised or rescinded by the Territory and Municipal Services Directorate. If finalised, this should occur by October 2016.

Response: AGREED

TAMS will review the need for this Code of Practice in light of the consideration of the development of other codes (see Recommendation 1 and 3) and existing management guidelines and Standard Operating Procedures.

Recommendation 5: REVIEW THE MANAGEMENT AND COORDINATION ARRANGEMENTS FOR THE LOWER COTTER CATCHMENT

New catchment management coordination and decision-making arrangements specifically for the Lower Cotter Catchment should be developed by the ACT Government and involve consultation with Icon Water, Territory and Municipal Services, Environment Protection Authority, Environment and Planning Directorate and Emergency Services Agency.

Response:

(The aim is to develop effective, streamlined coordination and decision-making arrangements at the high level, and to integrate these arrangements into the operational level. An important consideration is that the decision-makers must also have the authority to assign and commit the necessary resources to implement their decisions.)

Response: AGREED

At its May 2015 meeting the Directors-General Water Group resolved that Territory and Municipal Services (TAMS) would establish an inter-directorate working group with representation drawn from TAMS, Environment and Planning Directorate (EPD), the Emergency Services Agency (ESA) in the Justice and Community Safety Directorate, and Icon Water to oversight a Whole of Government response to the recommendations of the audit report, and provide the following to the Directors-General Water Group;

- terms of reference for the operation of the inter-directorate working group;
- an implementation plan, referenced against the relevant audit report recommendations;
- reporting protocol back to the DGs Water Group; and
- progress reports against implementation plan milestones.

The inter-directorate working group had its first meeting in July and will provide its first status report to the August meeting of the Directors General Water Group.

Recommendation 6: GIVING EFFECT TO THE WATER RESOURCES ACT: WATER POLICY COORDINATION

The Environment Protection Authority's role as articulated in section 64 of the Water Resources Act 2007 should be implemented or reviewed.
review.)

(The Administrative Arrangements for water policy should align with section 64 of the Water Resources Act 2007 or if existing arrangements are maintained in that water policy is in the Environment and Planning Directorate, the Water Resources ACT 2007 should be amended.)

Response: AGREED

Section 64 of the Act requires, amongst other things, the EPA to coordinate policies in relation to water resources and in administering the Act, to promote an integrated

approach to water resource management, environment protection and water catchment management.

The policy function that supports the EPA in discharging these responsibilities was incorporated into EPD's Environment Policy Division in 2011 to facilitate a more coordinated approach across the Directorate. With the recent changes involving Access Canberra, the environment protection policy components have been incorporated into the Environment Division. This will strengthen policy co-ordination and support to the EPA in discharging its statutory responsibilities.

EPD will review the governance arrangements that support the EPA and the legislation, to reflect current practice.

Recommendation 7: DEVELOPMENT OF A LOWER COTTER CATCHMENT RISK PLAN

A cross-agency risk management process and plan for the management of the Lower Cotter Catchment in reference to the land managed as a drinking water catchment should be developed by the Territory and Municipal Services Directorate, in consultation with key stakeholders, in particular Icon Water, Emergency Services Agency and the Environment and Planning Directorate, by June 2016.

(Territory and Municipal Services should therefore take carriage of the risk process and plan which should be reviewed every three years or sooner if the risk profile merits

Response: AGREED

Work on developing a Risk Plan has commenced and will be progressed by the LCC inter-directorate working group. The Risk Plan will, inter alia;

- a) consider existing risk assessments articulated in the Territory Wide Risk Assessment 2014 (TWRA) and the Strategic Bushfire Management Plan 2014;
- b) comply with the existing standard (AS/NZS ISO31000:2009) and should consider the application of the methodology in the National Emergency Risk assessment Guidelines (NERAG), Australian Government 2010;
- c) inform future review of the TWRA; and
- d) form an annexure to the LCC Plan of Management when completed.

Recommendation 8: FINALISE THE PLAN OF MANAGEMENT FOR THE LOWER COTTER CATCHMENT

The Plan of Management for the Lower Cotter Catchment should be finalised, by the Territory and Municipal Services Directorate, by July 2017.

(Community consultation for the Plan of Management should be based on the knowledge that the key management objectives for the Lower Cotter Catchment have been decided and are contained in the Planning and Development Act 2007 and the Territory Plan 2008.)

Response: AGREED

EPD are currently working closely with TAMS to finalise a Plan of Management for the LCC.

The Plan of Management will include, as recommended in the audit report;

- a) elements of a Catchment Management Plan as articulated in the Australian Drinking Water Guidelines;
- b) a clear statement of responsibilities of different agencies and agreed coordination processes; and
- c) Definition of appropriate low impact recreational activities based upon a risk assessment.

The management plan will also address risks identified in the audit report such as large volumes of unmanaged sediment from unstable soils, wildfire and inadequate controls on public access. An access risk management plan and a program of community awareness will be developed to guide the community on permitted and prohibited activities in the LCC.

Recommendation 9: REGROWTH PINE FOREST IN AND ADJACENT TO THE LOWER COTTER CATCHMENT

The road and fire trail network in the Lower Cotter Catchment should be reviewed and a road network improvement plan should be developed by Territory and Municipal Services in consultation with Emergency Services Agency, Icon Water and the Environment and Planning Directorate. The review should be completed by July 2016.

Response: AGREED

Work on an action plan has been commissioned and is nearing completion. The objectives and strategies for the management of regrowth pine forest in and adjacent to the LCC will be identified in the Plan of Management for the LCC.

Implementation of the action plan will be in co-operation with the Emergency Services

Agency and be through the existing framework for bushfire planning and implementation in the ACT. This consists of the 5 Year Regional Fire Management Plans and Annual Bushfire Operational Plans (both of which fall under the Strategic Bushfire Management Plan).

Recommendation 10: REVIEW OF LOWER COTTER CATCHMENT ROAD AND FIRE TRAIL NETWORK

The road and fire trail network in the Lower Cotter Catchment should be reviewed and a road network improvement plan should be developed by Territory and Municipal Services in consultation with Emergency Services Agency, Icon Water and the Environment and Planning Directorate. The review should be completed by July 2016.

(The review should define the minimum road and fire trail network that balances the goal of access for fire fighting with the goal of minimising roads and fire trails so as to minimise erosion and sediment movement into the reservoir; and examine gates and other control structures that effectively restrict or control public access but allow access for fire fighting and service needs.)

Response: AGREED

The LCC inter directorate working group will prioritise a review of the road and fire trail network in the LCC noting that the underlying objective is to provide appropriate management access noting the need for rapid response capabilities to fires that may occur in the area. The review will take a risk based approach, and may identify the need for some trails to be shut down and others to be opened. In all instances, the need to mitigate against erosion will be a key consideration.

The objectives and strategies for the road network implementation plan should be identified in the Plan of Management for the LCC.

Recommendation 11: REMEDIATION OF SEDIMENT CONTROL STRUCTURES IN THE LOWER COTTER CATCHMENT

The effectiveness of sediment control structures in the Lower Cotter Catchment should be assessed to identify damaged and poorly functioning structures and pondage, and an action plan developed for implementing repairs by Territory and Municipal Services in collaboration with Icon Water.

Response: AGREED

TAMS will work closely with Icon Water to determine a priority listing of erosion and sediment control structures for assessment and repair. TAMS has set aside \$0.3M for this purpose in 2015/16.

A list of proposed works will be tabled for the consideration of the LCC inter-directorate working group and for the ultimate approval of the DGs Water Group.

Recommendation 12: REPORT ON RESTORATION AGAINST THE STRATEGIC MANAGEMENT PLAN

The Commissioner for Sustainability and the Environment should evaluate the restoration of the Lower Cotter Catchment against the Management Goals contained in the Strategic Management Plan, and report to the Minister for the Environment on priorities to be identified for the next decade, by December 2017.

(This aligns with the requirement in the Strategic Management Plan for it to be evaluated, Section 1.1

Response: AGREED

The Commissioner for Sustainability and Environment will undertake a review of the delivery of management goals outlined in the Strategic Management Plan for the Lower Cotter Catchment, noting that the final terms of reference of such a review would benefit from consultation with the agency and the relevant Minister.