ACT Government
Environment, Planning and Sustainable Development

CABINET

MINISTERIAL BRIEF

To:	Minister for Water, Energy and Emissions Reduction	**Cabinet No.: 22/159** Rec'd Minister's Office …/…/…
From:	Executive Group Manager, Environment, Heritage and Water	
Subject:	Final lodgement of Cabinet item 'Establishing a holistic and coordinated approach to water management in the ACT – Office of Water'	
Critical Date:	16 May 2022	
Critical Reason:	The final submission must be lodged with Cabinet Office Monday, 16 May 2022 for ERC/Cabinet consideration.	

- DDG, Environment, Water and Emissions Reduction 9/5/22

Purpose
To seek agreement to lodge the final submission and associated attachments.

Recommendations
That you:

1. **Agree** to lodge the final Cabinet Submission and associated documents with Cabinet Office; and

Agreed / Not Agreed / Please Discuss

2. **Agree** to Ian Walker and Geoffrey Rutledge attending the ERC and Cabinet meetings to provide support and further advice to the submission.

Agreed / Not Agreed / Please Discuss

Shane Rattenbury MLA ……. 17/5/22

Minister's Office Feedback

Background

1. In response to the Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA), the Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance during 2021-22 (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions.
2. Chronic governance issues were identified by an inter-agency Advisory Group (Advisory Group) that have led to weak implementation of policy and planning in the ACT water sector, including delivering outcomes against the ACT Water Strategy 2014-44: Striking the Balance. Governance weaknesses are evident in multiple issues across the sector, and relate to:
    a. poorly defined roles and responsibilities across government agencies;
    b. inadequate capability and capacity (skills, funding, and information); and
    c. poor inter-agency coordination and decision-making on cross-sectoral and cross-organisational issues.
3. In addition to the findings of the Water Governance Review, other recent policy reviews support the need for changes to the operation and governance of the sector. These include the Auditor-General's report on Acceptance of Stormwater Assets (2018) and the State of the Environment report (2019).
4. The ACT Commissioner for Sustainability and the Environment will be releasing their inquiry report into the State of the Lakes and Waterways in May 2022. The report will critique the effective delivery of water sensitive urban design, stormwater management, and monitoring, evaluation and reporting. Water governance reforms will constitute a key part of the EPSDD's management response. The draft recommendations from the report are provided at Attachment G)
5. EPSDD has developed this Cabinet Submission (and associated business case for budget consideration) to secure funding and approval to progress the Directorate's response to the PAGA commitment and improve water governance arrangements and processes in the ACT.

Issues

6. The Cabinet Submission proposes that an Office of Water is established to lead implementation of a package of reform activities to address the chronic and systemic governance issues affecting the water sector. The reform agenda has been developed and prioritised through input from the Advisory Group and further assessment undertaken by service provider Aither Pty Ltd. in consultation with the EPSDD Water Policy team.
7. EPSDD proposes that, in addition to implementing the reform agenda, the Office is responsible for delivering a revised Water Strategy including a long-term Integrated Water Management Plan to address water security, water quality and climate change, a new Ngunnawal Ngadjung Water Initiative for ensuring ongoing cultural water practices, and a new web-based Water Information Hub to facilitate greater transparency and awareness of relevant information. Achieving these deliverables within the first two years of its establishment would demonstrate the ability of the new Office to foster improved cross-sectoral collaboration, deliver against strategic policy gaps and improve public transparency and accountability.

8. The resourcing needs of the proposed solution is proportionate to the scale of the problem identified through the Water Governance Review and other recent reviews. It shows that the current level of resourcing of the sector over successive years has been insufficient to support effective water management in the ACT and this has led to some current policies not being implemented; this is despite considerable revenue raised annually through the Water Abstraction Charge (WAC).
9. Solely relying on the transfer of existing resources from other agencies into the Office of Water will be inadequate to deliver current business-as-usual objectives as well as undertake recommended reforms and fill strategic policy gaps.
10. The cost difference between the preferred option (Option 3) from the Water Governance Review and the next least costly option (Option 2) would be accounted for in organisational areas' operational budgets. The additional operational budget in Option 3 is associated with consultancy, contractor and community engagement expenses to deliver on the new initiatives and governance reform package. Specifically, the operational budget in Option 3 will support:
    a. development of the Water Information Hub;
    b. generating new hydrological information to support climate change adaptation planning and integrated water planning;
    c. improved evaluation and reporting of policy and program delivery; and
    d. engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (i.e., defining cultural flows, building community capability, securing water entitlements and developing a business framework for economic development).

11. A Water Information team within the Office of Water is proposed to develop the internal capacity to generate new hydrological information for climate adaptation and develop the Water Information Hub. This uplift to modelling capability will augment the work of the Healthy Waterways Stage 2 project (currently administered by the Resilient Landscapes Branch of EPSDD) and extend data and modelling to whole-of-catchment planning.
12. Legislative amendments would be explored further by the Office as part of its reform agenda (refer to Attachment D of the Cabinet Submission) to better align with core water policy, planning, operational and regulatory functions.

Financial Implications

13. A business case has been submitted for budget consideration to establish the Office of Water (EPSDD Business Case E14). The business case outlines and costs four options for the Office, with the preferred option costing $6.119 million over four years.
14. Average annual revenue raised through the WAC for water management activities since 2015 is $31.1 million. Annual expenditure on the intended water management activities since 2015 has averaged $24.6 million.
15. It is assumed that resources associated with staff FTEs proposed to be transferred into the Office of Water will be transferred along with those positions. Responsibilities (and resources) are proposed to be transferred into the Office of Water from EPSDD, Chief Minister, Treasury and Economic Development Directorate (CMTEDD) and the Environment Protection Authority (EPA).

16. Existing resources are not sufficient to support existing water management functions as well as new initiatives. However, the WAC was introduced for the purpose of supporting the cost of water management activities. The significant ongoing variance between the revenue raised and expenditure on water management provides opportunities for resourcing appropriate activities and initiatives.

Consultation

Internal

17. Within EPSDD, the Environment Protection Policy, Infrastructure Projects, and Water Policy teams have contributed to the development of the proposed solution included in the Cabinet Submission.
18. EPSDD Legal Policy have provided advice on options to establish the Office of Water.
19. EPSDD Communications have provided advice on the timing and approach for developing a communications and engagement strategy for the Office of Water.

Cross Directorate

20. All ACT agencies with water responsibilities (and Icon Water) participated in the Advisory Group, which guided the final package of proposed reforms. Representatives provided comment on the final report at the final workshop on 3 March 2022.
21. Treasury representatives acknowledge the extent of the issues but recommend proceeding with a lower cost option for the Office. See 'Benefits/Sensitivities' section below.
22. EPSDD and EPA representatives met to discuss the detailed responsibilities for the proposed Office (09/03/22). EPA officials expressed their interest in maintaining the existing statutory responsibilities and administrative procedures as they relate to the *Water Resources Act 2007* and the *Environment Protection Act 1997.*

External

23. An Icon Water representative participated in the Advisory Group. They were supportive of the need for reform, the proposed model for the Office of Water and the reform agenda. They expressed their interest that any new Office provides efficiencies, not an extra layer of bureaucracy and that, where legislative changes are proposed, regulatory impacts are investigated and addressed. (No legislative changes are proposed initially.)
24. The Dhawura Ngunnawal Caring for Country Committee was consulted on the proposed reforms package and Office of Water, and on the Ngunnawal Ngadjung Water Initiative. Initial feedback has been positive. Engagement will continue on increasing Ngunnawal people's participation in water management through the Ngunnawal Ngadjung Water Initiative.
25. Other external stakeholders (e.g., the ACT and Region Catchment Management Coordination Group, the Queanbeyan-Palerang Regional Council) are aware of the Water Governance Review and are awaiting announcement of the proposed approach to improve arrangements.

Benefits/Sensitivities

26. There are strategic risks with pursuing a governance reform option that does not provide an effective response to the issues evident or adequately resources the new initiatives that have been proposed to address policy gaps. There is significant evidence, sectoral support

and momentum to establish an ACT Office of Water. Sufficient resourcing is required to establish the Office and address the systemic issues in water management commensurate with the scope and scale of its responsibilities, and proportionate with the current untreated strategic risk.

27. Consultation with CMTEDD on potential transfer of positions around cross-border supply and trade policy is yet to occur.

28. EPSDD has received comment from Treasury on the business case and costing for the preferred option. A revised version has been recirculated to Treasury.

Media Implications

29. A media release announcing the establishment of the Office will be prepared separately.

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Summary of Attachments

1 – Cabinet submission
- A – Table of Comments
- B – Open Access Information release
- C – Wellbeing Impact Assessment
- D – Report – ACT Water Governance Review (2022. Aither)
- E – Map – current governance arrangements
- F – Business Case
- G – Draft recommendations from the State of the Lakes and Waterways in the ACT report, Commissioner for Sustainability and the Environment, May 2022

2 – Cabinet Brief

ACT Government

CABINET SUBMISSION

22/159

Title	Office of Water
Meeting type	Cabinet
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Tuesday, 24 May 2022
Status	FINAL
Relationship to previous decisions	None
Purpose	This submission advises Cabinet on a reform agenda for ACT water governance and recommends the establishment of an Office of Water to implement reforms.
Category	Category 1 - Government priorities
Financial impact	Yes
Treasury agreement	Yes Date provided for Treasury agreement to financial implications: 04/05/2022 Date of Treasury agreement 06/05/2022:
Is ERC consideration required?	Yes If yes, select ERC meeting date: Tuesday, 24 May 2022
Legislative change	No - change to legislation not required
Regulatory impact	No
Wellbeing Impact Assessment	Yes
Primary Wellbeing Domain	Environment and climate

RECOMMENDATIONS

1) I recommend that Cabinet agree to:

   a. the proposal to establish a new Office of Water within the Environment, Planning and Sustainable Development Directorate, consistent with the funding levels agreed by Expenditure Review Committee.

2) I recommend that Cabinet note:

   a. the Government's commitment to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy (Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly);

   b. that significant governance issues exist in the ACT water sector relating to capability and capacity, roles and responsibilities, and coordination, and that these issues are hindering delivery of water policy and planning functions and program implementation;

   c. the imminent release of the ACT Commissioner for Sustainability and Environment investigation into the 'State of Lakes and Waterways' which identifies the need for reform in water governance and policy, among other matters (draft recommendations by the Commissioner is provided at Attachment G);

   d. that establishing an Office of Water will implement priority (foundational) governance reforms, delivering new policy initiatives and assets to address strategic gaps; and

   e. that establishing an Office of Water with lesser scope and resourcing than which is recommended will not address the strategic risks that have been identified.

3) I recommend that Cabinet note:

   a. the advice to the Chief Minister on the release of the Cabinet Decision Summary (Attachment B) as required under Section 23 of the *Freedom of Information Act 2016*;

   b. the following summaries to be released:

      i. Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio of the Minister for Water.

      ii. A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate-resilient and water-secure city which continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Islander Agreement and the

National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

SUPPORTING ARGUMENT

BACKGROUND

1) The Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA) agrees an executive reform to 'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.

2) On 27 November 2019, the ACT Legislative Assembly passed a resolution on water security which called on the Government to:

    a. continue to implement and promote the ACT Water Strategy 2014-2044;

    b. hold consultations with water stakeholders and experts; and

    c. ensure climate change projections are considered in long-term planning and decision-making.

3) A water security workshop was held with a range of experts and stakeholders on 6-7 July 2020. Water governance was a recurring theme throughout the workshop, with general acknowledgement that a holistic governance structure was required to manage the region's future water security.

4) In response to the PAGA executive reform order, in 2021-22 Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on current issues impacting the water sector and potential solutions. The findings of the review are discussed further in the 'Issues' section below.

5) The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management, including monitoring, evaluation and reporting processes. The final report is due in May 2022 and is expected to critique the effectiveness of water planning and policy implementation, and adequacy of associated resourcing.

6) Climate change presents new challenges to the way that the ACT's water resources are managed and responding to these challenges requires effective governance arrangements. A 2021 climate change risk assessment by the ACT Office for Climate Action identified drought and drinking water supply as a high strategic risk for the ACT, and noted that these risks have interdependencies with other risks across the social, economic, natural environment, built environment and governance domains. The risk assessment recommended further embedding drought hazard modelling for future conditions in planning.

7) Analysis by Icon Water on changes to inflows into the ACT's water storages over the past 20 years indicates that climate impacts on our water resources are already occurring, decades earlier and

more pronounced than in the climate modelling used for the 2021 climate change risk assessment. Further modelling and analysis are needed to understand the full nature and extent of climate change impacts on the ACT's water supply and to plan appropriately for those impacts.

8) The ACT Government does not have an integrated water management plan in place. Addressing wastewater (including recycled water options) and alternative water supply options would support the ACT to become a more water-secure city in the context of climate change and a growing population. This includes implementing water sensitive urban design (WSUD) as an adaption response. The 2019 ACT State of the Environment report recommended identifying opportunities to further develop WSUD measures.

9) Climate change projections indicate that more frequent extreme flooding is expected in the ACT due to an increase in high intensity rainfall events, compounded by hard infrastructure from urban development. The ACT's Territory Wide Risk Assessment (2017), completed by the Justice and Community Safety Directorate – Emergency Services Agency (ESA), identified flash floods as a high risk to the ACT and the 2021 climate change risk assessment recommended further work to build flood resilience. In particular, the risk assessment highlighted the need to embed flood hazard modelling for current and future conditions in planning and to embed flood adaptation actions in a strategy for implementation. In contrast to other jurisdictions and national best practice, the ACT does not have a floodplain management entity or a strategic flood risk management plan in place. Flood management responsibility sits within the ESA while other water management responsibilities are within other parts of the government.

10) The ACT Government introduced the *Waterways: WSUD general code* into the Territory Plan in 2009 (latest revision effective February 2020). The code aims to encourage reduced use of mains water, improve water quality and manage stormwater flows in urban areas. Despite the code being in place for over ten years, results of recent water quality monitoring (Catchment Health Indicator Program reports, 2019 ACT State of the Environment report) suggest that implementation of WSUD in the ACT has been ineffective at delivering improved water quality for Canberra's urban lakes.

11) Recent reviews in 2020 and 2021 of WSUD application in the ACT have been undertaken by external experts for EPSDD and Transport Canberra and City Services. The reviews identified issues with WSUD application, including: a lack of compliance checks and performance monitoring (to ensure that WSUD measures are designed to code and are functioning as expected to meet the objectives of the policy); agency alignment/commitment to the policy; cross-agency governance arrangements to resolve issues; and dedicated staff in EPSDD with the knowledge and training in WSUD application to undertake regular compliance and review.

12) In 2018, the ACT Auditor-General delivered the performance audit report *Acceptance of Stormwater Assets*. The report found that stormwater asset management objectives (for example those set in the ACT Water Strategy) may not be met due to deficiencies in asset acceptance processes and the management of accepted stormwater assets. It noted the absence of catchment-wide stormwater planning, the need to better integrate traditional stormwater design

with sustainable WSUD, and the importance of ensuring an effective cross-agency approach is taken to the overall management of stormwater assets.

13) The ACT Auditor-General's report recommended that governance supporting the acceptance of stormwater assets needed to be improved through improvements in agencies' risk management and performance reporting, and updating of codes and standards that guide the design and development of assets (ACT Audit Office 2018). This work has not been substantially progressed since 2018 due to lack of clarity on decision-making for this issue and agency capacity.

14) The ACT Water Abstraction Charge (WAC) is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of the water resource (DI-2003-333, Explanatory Statement). The Australian Competition and Consumer Commission (ACCC) reports annually on regulated water charges and compliance with the Commonwealth Water Market and Water Charge Rules (ACCC Water Monitoring Report); the ACT WAC is subject to this annual report. For the 2020-21 period, the ACT Government reported that revenue collected from the WAC exceeded expenditure on eligible water management activities by $18.87 million. Significant variances have been reported annually since 2015. The Water Governance Review and the Commissioner's report into the state of the lakes and waterways in the ACT highlight significant under resourcing of water management activities.

15) By 2024, two policy reviews are scheduled to be undertaken that will help set the direction for the ACT water sector for the next ten years:

   a. ten-year review of the ACT Water Strategy 2014-44: Striking the Balance (ACT Water Strategy); and

   b. five-yearly review of the Water Resource Environmental Flows Guidelines 2019. The Environmental Flows Guidelines define environmental flows for the protection of aquatic ecosystems, as required by the ACT *Water Resources Act 2007*.

ISSUES & OPTIONS

Issues with current ACT water governance arrangements

16) The Water Governance Review identified chronic governance issues across the ACT water sector (Attachment D). The issues are summarised as:

   a. poorly defined roles and responsibilities;

   b. inadequate capacity (resourcing, skills, and information) and capability; and

   c. poor inter-agency coordination and decision-making on cross-sectoral issues.

17) ACT water resources are managed through responsibilities shared across multiple agencies and entities:

   a. Environment Protection Authority (EPA) in Access Canberra – regulation and enforcement;

b. Environment, Planning and Sustainable Development Directorate (EPSDD) – water policy (domestic and inter-jurisdictional), planning, science, program implementation, water efficiency and catchment management;

c. Chief Minister, Treasury and Economic Development Directorate (CMTEDD) – interjurisdictional relations, regional collaboration and development, water pricing;

d. Transport Canberra and City Services Directorate (TCCS) – own, manage stormwater assets, dam safety, service provider (inner north reticulation network);

e. Justice and Community Safety Directorate's (JACS) Emergency Services Agency (ESA) – flood management and response;

f. ACT Health Directorate – drinking water licencing, monitors recreational water quality;

g. National Capital Authority – management of water resources within Lake Burley Griffin; and,

h. Icon Water – ACT Government-owned water utility, water entitlement/licence holder.

18) Current agency water management responsibilities were mapped using stakeholder input through the Water Governance Review (Attachment E). The mapping process revealed that there are poorly defined, fragmented and/or overlapping water roles and responsibilities across the sector. The map represents the views of stakeholders on responsibilities – which were conflicting on some areas – demonstrative of the lack or clarity in the sector. It is recommended that a 'trueing up' and validation is undertaken as a priority foundational reform action to help clarify roles and responsibilities and to investigate options to amend Administrative Arrangements that would better align core policy, planning, regulatory and service delivery responsibilities.

19) Poorly defined roles and responsibilities have contributed to uncertainty over ownership of cross-sectoral issues and led to poor collaboration and policy implementation. Without a defined approach and accountability to coordinate decision-making and responses on multi-stakeholder issues, there has been a lack of progress in developing timely responses. This has been particularly evident in, but not limited to, inter-jurisdictional matters, integrated water management planning, WSUD compliance and stormwater management.

20) The Water Governance Review also identified gaps and misalignment in the capacity (skills, funding and information) and capability of the sector with respect to implementation. This has hindered delivery of key outcomes and activities with the ACT Water Strategy.

Options for reform

Reform agenda

21) Resolving the extensive, entrenched issues requires a package of reform activities to redefine the future direction for the water sector, provide leadership and build capability for developing innovative solutions. A reform agenda has been developed through the Water Governance Review to address identified governance issues. The reform agenda is presented in Figure 1 of Attachment D. It contains six priority (foundational) reforms, as well as secondary reforms, which could be implemented in the future pending the outcome of the priority reforms. The reforms

were prioritised against criteria including effectiveness, alignment with the OECD Principles on Water Governance, costs/benefits, practicality of implementation, and level of sector interest/support.

22) Four of the six priority reforms address capacity (resourcing, skills and information) and capability issues. These reflect the extent of capacity and capability shortfalls across the sector and the importance of addressing them to genuinely enable the sector to deliver on outcomes, including the ACT Water Strategy.

Office of Water – established to implement reform agenda and lead on all water policy and planning in the ACT

23) The fragmented nature of water management has contributed significantly to chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management - allowing that the function of the Office provides the centralisation of policy and planning functions, has authority to drive improvement, and is adequately resourced to act.

24) EPSDD has followed a structured process to consider four different options to deliver the reform agenda and the Office of Water. These include:

a. Option 1 – no Office of Water but a coordination forum is established to work on minor governance improvements.

b. Option 2 – an Office of Water is established to provide assurance and play a coordination role in facilitating minor governance improvements.

c. Option 3 (recommended) – an Office of Water is established with responsibility to implement the full reform agenda and assume all water policy and planning functions.

d. Option 4 – a new central water agency is established with responsibility to implement the full reform agenda and assume wide-ranging functions (policy and planning, operational, program delivery, regulatory, some service delivery (Inner-North Reticulation Network).

25) The recommended model (Option 3) for delivering on these core aims is to establish an Office of Water located within EPSDD that leads the implementation of the full reform agenda (i.e., priority foundational reforms and secondary reforms as deemed appropriate pending the outcome of priority reforms). This model would adopt all water policy and planning functions from the EPSDD plus relevant policy/planning functions from other agencies, subject to review and further consultation. Water related responsibilities not transferred to the Office of Water (e.g., service delivery, regulation, relevant activities such as development planning) could be managed through a consultative forum, to be developed during the establishment phase of the Office.

26) The responsibilities proposed to be transferred into a centralised policy and planning agency may include: cross-border water supply and regional water management, water allocation and trade, water service planning, water accounting and reporting, for example.

27) The core aim of the proposed Office of Water is to help the sector better:

a. clarify (or reset) the vision, objectives and goals for the sector;

b. tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;

c. coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated, integrated approach;

d. investigate and resolve deeper issues of governance and structure; and

e. communicate with the public on ACT water resource management issues.

28) The Office would have responsibility to:

a. lead policy and planning for the ACT water sector, including regulatory setting (e.g. setting environmental authorisations for water quality issues);

b. implement the full package of governance reforms;

c. undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;

d. provide the primary point of engagement with the ACT community on water sector issues; and

e. undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

29) In addition to delivering the reform agenda/activities, the Office would deliver the following:

a. review and refresh of the ACT Water Strategy 2014-44 Striking the Balance. (Feedback from the sector through the Water Governance Review indicated that the Strategy is difficult to operationalise and implement and that a re-set of the vision for the sector is warranted);

b. develop and implement a Ngunnawal Ngadjung Water Initiative to establish a framework for access to cultural and economic benefits from water including management of water entitlements;

c. develop a long-term Integrated Water Management Plan for water security and climate adaptation; and

d. establish a Water Information Hub to provide improved public access to up-to-date water information and reporting and support improved technical capability across government.

30) The recommended option was assessed as providing the most effective and efficient means by which to deliver against the PAGA commitment, existing policy and program commitments, the proposed package of reform activities and new initiatives (para 27).

31) Implementing an option with narrower scope and reduced resourcing than that proposed (e.g., Options 1 or 2) only provides for minor reforms to be implemented that will not comprehensively address the underlying governance issues or mitigate the strategic risks; preventing effective

implementation of water policy and planning. Option 2 has been costed to at least deliver existing policy and programs. The proposed four key deliverables (para 27) would also not be achieved and/or would be delayed and more limited in scope. For example, Options 1 and 2 do not cost for delivery of the Water Information Hub, for providing improved public access to water information, generation of new hydrological information and undertake modelling to support planning for climate change adaptation and integrated water planning. This new hydrological information underpins a proposed framework for Ngunnawal water entitlements to support a cultural economy and improved transparency for the ACT public about water management and usage.

32) Failure to address underlying governance issues presents strategic risks to the ACT Government, and the recommended option aims to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability). There is reputational risk in the continuation of unresolved issues that could erode public confidence in the ability of Government to manage water resources effectively.

FINANCIAL IMPACT

33) The Office of Water is proposed to operate for four years from July 2022 until June 2026. The continuation of the Office will be subject to an independent mid-term review in 2025 and funding for future years would be sought through a second budget bid in 2026.

34) A detailed business case outlining the costs for the four options to establish the Office of Water is at Attachment F.

WELLBEING IMPACT SUMMARY

35) The Office of Water will have a positive impact on all ACT residents through the environment and climate, and governance and institutions wellbeing domains. It will improve governance of ACT water resources, with flow-on benefits for the environment (aquatic and riverine health) and community (social health and connection). The initiative will strengthen the ACT water sector's resilience to cope with projected impacts from climate change and support a growing population.

36) Public access to information will be improved through the creation of a Water Information Hub developed and housed by the Office of Water. This will provide increased transparency and accountability throughout the water sector and facilitate increased community participation in management of the ACT's water resources.

37) The Office of Water will have a positive impact on the wellbeing of Aboriginal and Torres Strait Islander Peoples through the development and delivery of a new Ngunnawal Ngadjung Water Initiative. This will be co-designed and co-managed with the Ngunnawal community with the aim of securing Ngunnawal access to water for cultural use and economic opportunities.

CONSULTATION

External stakeholders

38) Icon Water was engaged in the development of the draft reform agenda and preferred model for the Office of Water through the Water Governance Review Advisory Group workshop process (October 2021-March 2022).

39) EPSDD Executive has presented the draft reform agenda and Office of Water to the Dhawura Ngunnawal Caring for Country Committee on 1 Feb 2022. EPSDD will work closely with the Committee and the United Ngunnawal Elders Council on the development and implementation of the Ngunnawal Ngadjung Water Initiative; a key deliverable for the Office of Water.

40) EPSDD has informed the ACT and Region Catchment Management Coordination Group about the draft reform agenda and proposed Office of Water on 30 March 2022. Relevant members of the Coordination Group have been involved in the Water Governance Review Advisory Group.

ACT Government agencies

41) Agencies with responsibilities for water management have provided input into the development of the draft reform agenda and model for the Office of Water through the Water Governance Review Advisory Group. Participating agencies were: CMTEDD (Treasury, Chief Minister, Access Canberra EPA); TCCS (Roads ACT and City Operations); JACS (ESA).

42) At a workshop of the Advisory Group there was a view put forward that the Office could be located in CMTEDD as a central agency – noting the diverse range of functions it would cover and its important coordination role. However, it is recommended that the Office is located in an agency (the EPSDD) that aligns with/has broader responsibilities for water management, and reports to the Minister for Water.

MEDIA/COMMUNICATIONS

43) It is proposed that a communications and engagement strategy is developed within the first three months of the Office's establishment given its key roles in water coordination and ensuring transparency and effective communication with key stakeholders and the ACT community.

44) Opportunities to announce the Office are being considered by EPSDD, for example during National Water Week in October, and a subsequent briefing will be provided.

IMPLEMENTATION

Table 2: **Implementation milestones and timeframes**

Milestones	Date to be completed[#]
Governance reform agenda – priority reforms	
1. Review of Administrative Arrangements to address alignment of core policy, planning, operational and regulatory functions	December 2022
2. Establish process for handling cross-cutting issues in the water sector	December 2022
3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of ACT Water Strategy	July 2023
4. Improve accountability and transparency for current funding arrangements	July 2024
5. Review and strengthen arrangements for sharing information between entities	July 2023
6. Review and strengthen arrangements for managing knowledge and sharing water information with the public	July 2023
Delivery of key policy initiatives and assets	
7. Development of a Ngunnawal Ngadjung Water Initiative (cultural water and entitlements)	July 2023
8. Refreshed Water Strategy in line with ten-year review	July 2023
9. Develop a Long-term Integrated Water Management Plan (Water Security Plan)	July 2024
10. Water Information Hub – information on quality, quantity, compliance, licencing, etc, accessible to public.	July 2024
Final completion date:	June 2026

Dates for milestone delivery will be confirmed through an annual work plan developed by the Office of Water.

HUMAN RIGHTS IMPACT

45) Nil.

Minister's signature _____ Date 17/5/22

ATTACHMENTS

A	Table of Comments
B	Open Access Assessment: Cabinet Decision and Wellbeing Impact Assessment Summary
C	Wellbeing Impact Assessment
D	Report – ACT Water Governance Review (2022. Aither)
E	Map – current governance arrangements
F1-F5	Business Case EPSDD-E14
G	ACT Commissioner for Sustainability and Environment investigation into the state of lakes and waterways – draft recommendations

F

ACT Government

CABINET SUBMISSION

22/159

Title	Office of Water
Meeting type	Cabinet
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Tuesday, 24 May 2022
Status	FINAL
Relationship to previous decisions	None
Purpose	This submission advises Cabinet on a reform agenda for ACT water governance and recommends the establishment of an Office of Water to implement reforms.
Category	Category 1 - Government priorities
Financial impact	Yes
Treasury agreement	Yes Date provided for Treasury agreement to financial implications: 04/05/2022 Date of Treasury agreement 06/05/2022:
Is ERC consideration required?	Yes If yes, select ERC meeting date: Tuesday, 24 May 2022
Legislative change	No - change to legislation not required
Regulatory impact	No
Wellbeing Impact Assessment	Yes
Primary Wellbeing Domain	Environment and climate

RECOMMENDATIONS

1) I recommend that Cabinet agree to:

   a. the proposal to establish a new Office of Water within the Environment, Planning and Sustainable Development Directorate, consistent with the funding levels agreed by Expenditure Review Committee.

2) I recommend that Cabinet note:

   a. the Government's commitment to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy (Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly);

   b. that significant governance issues exist in the ACT water sector relating to capability and capacity, roles and responsibilities, and coordination, and that these issues are hindering delivery of water policy and planning functions and program implementation;

   c. the imminent release of the ACT Commissioner for Sustainability and Environment investigation into the 'State of Lakes and Waterways' which identifies the need for reform in water governance and policy, among other matters (draft recommendations by the Commissioner is provided at Attachment G);

   d. that establishing an Office of Water will implement priority (foundational) governance reforms, delivering new policy initiatives and assets to address strategic gaps; and

   e. that establishing an Office of Water with lesser scope and resourcing than which is recommended will not address the strategic risks that have been identified.

3) I recommend that Cabinet note:

   a. the advice to the Chief Minister on the release of the Cabinet Decision Summary (Attachment B) as required under Section 23 of the *Freedom of Information Act 2016*;

   b. the following summaries to be released:

      i. Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio of the Minister for Water.

      ii. A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate-resilient and water-secure city which continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Islander Agreement and the

National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

SUPPORTING ARGUMENT

BACKGROUND

1) The Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA) agrees an executive reform to 'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.

2) On 27 November 2019, the ACT Legislative Assembly passed a resolution on water security which called on the Government to:

    a. continue to implement and promote the ACT Water Strategy 2014-2044;

    b. hold consultations with water stakeholders and experts; and

    c. ensure climate change projections are considered in long-term planning and decision-making.

3) A water security workshop was held with a range of experts and stakeholders on 6-7 July 2020. Water governance was a recurring theme throughout the workshop, with general acknowledgement that a holistic governance structure was required to manage the region's future water security.

4) In response to the PAGA executive reform order, in 2021-22 Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on current issues impacting the water sector and potential solutions. The findings of the review are discussed further in the 'Issues' section below.

5) The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management, including monitoring, evaluation and reporting processes. The final report is due in May 2022 and is expected to critique the effectiveness of water planning and policy implementation, and adequacy of associated resourcing.

6) Climate change presents new challenges to the way that the ACT's water resources are managed and responding to these challenges requires effective governance arrangements. A 2021 climate change risk assessment by the ACT Office for Climate Action identified drought and drinking water supply as a high strategic risk for the ACT, and noted that these risks have interdependencies with other risks across the social, economic, natural environment, built environment and governance domains. The risk assessment recommended further embedding drought hazard modelling for future conditions in planning.

7) Analysis by Icon Water on changes to inflows into the ACT's water storages over the past 20 years indicates that climate impacts on our water resources are already occurring, decades earlier and

more pronounced than in the climate modelling used for the 2021 climate change risk assessment. Further modelling and analysis are needed to understand the full nature and extent of climate change impacts on the ACT's water supply and to plan appropriately for those impacts.

8) The ACT Government does not have an integrated water management plan in place. Addressing wastewater (including recycled water options) and alternative water supply options would support the ACT to become a more water-secure city in the context of climate change and a growing population. This includes implementing water sensitive urban design (WSUD) as an adaption response. The 2019 ACT State of the Environment report recommended identifying opportunities to further develop WSUD measures.

9) Climate change projections indicate that more frequent extreme flooding is expected in the ACT due to an increase in high intensity rainfall events, compounded by hard infrastructure from urban development. The ACT's Territory Wide Risk Assessment (2017), completed by the Justice and Community Safety Directorate – Emergency Services Agency (ESA), identified flash floods as a high risk to the ACT and the 2021 climate change risk assessment recommended further work to build flood resilience. In particular, the risk assessment highlighted the need to embed flood hazard modelling for current and future conditions in planning and to embed flood adaptation actions in a strategy for implementation. In contrast to other jurisdictions and national best practice, the ACT does not have a floodplain management entity or a strategic flood risk management plan in place. Flood management responsibility sits within the ESA while other water management responsibilities are within other parts of the government.

10) The ACT Government introduced the *Waterways: WSUD general code* into the Territory Plan in 2009 (latest revision effective February 2020). The code aims to encourage reduced use of mains water, improve water quality and manage stormwater flows in urban areas. Despite the code being in place for over ten years, results of recent water quality monitoring (Catchment Health Indicator Program reports, 2019 ACT State of the Environment report) suggest that implementation of WSUD in the ACT has been ineffective at delivering improved water quality for Canberra's urban lakes.

11) Recent reviews in 2020 and 2021 of WSUD application in the ACT have been undertaken by external experts for EPSDD and Transport Canberra and City Services. The reviews identified issues with WSUD application, including: a lack of compliance checks and performance monitoring (to ensure that WSUD measures are designed to code and are functioning as expected to meet the objectives of the policy); agency alignment/commitment to the policy; cross-agency governance arrangements to resolve issues; and dedicated staff in EPSDD with the knowledge and training in WSUD application to undertake regular compliance and review.

12) In 2018, the ACT Auditor-General delivered the performance audit report *Acceptance of Stormwater Assets*. The report found that stormwater asset management objectives (for example those set in the ACT Water Strategy) may not be met due to deficiencies in asset acceptance processes and the management of accepted stormwater assets. It noted the absence of catchment-wide stormwater planning, the need to better integrate traditional stormwater design

with sustainable WSUD, and the importance of ensuring an effective cross-agency approach is taken to the overall management of stormwater assets.

13) The ACT Auditor-General's report recommended that governance supporting the acceptance of stormwater assets needed to be improved through improvements in agencies' risk management and performance reporting, and updating of codes and standards that guide the design and development of assets (ACT Audit Office 2018). This work has not been substantially progressed since 2018 due to lack of clarity on decision-making for this issue and agency capacity.

14) The ACT Water Abstraction Charge (WAC) is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of the water resource (DI-2003-333, Explanatory Statement). The Australian Competition and Consumer Commission (ACCC) reports annually on regulated water charges and compliance with the Commonwealth Water Market and Water Charge Rules (ACCC Water Monitoring Report); the ACT WAC is subject to this annual report. For the 2020-21 period, the ACT Government reported that revenue collected from the WAC exceeded expenditure on eligible water management activities by $18.87 million. Significant variances have been reported annually since 2015. The Water Governance Review and the Commissioner's report into the state of the lakes and waterways in the ACT highlight significant under resourcing of water management activities.

15) By 2024, two policy reviews are scheduled to be undertaken that will help set the direction for the ACT water sector for the next ten years:

   a. ten-year review of the ACT Water Strategy 2014-44: Striking the Balance (ACT Water Strategy); and

   b. five-yearly review of the Water Resource Environmental Flows Guidelines 2019. The Environmental Flows Guidelines define environmental flows for the protection of aquatic ecosystems, as required by the ACT *Water Resources Act 2007*.

ISSUES & OPTIONS

Issues with current ACT water governance arrangements

16) The Water Governance Review identified chronic governance issues across the ACT water sector (Attachment D). The issues are summarised as:

   a. poorly defined roles and responsibilities;

   b. inadequate capacity (resourcing, skills, and information) and capability; and

   c. poor inter-agency coordination and decision-making on cross-sectoral issues.

17) ACT water resources are managed through responsibilities shared across multiple agencies and entities:

   a. Environment Protection Authority (EPA) in Access Canberra – regulation and enforcement;

b. Environment, Planning and Sustainable Development Directorate (EPSDD) – water policy (domestic and inter-jurisdictional), planning, science, program implementation, water efficiency and catchment management;

c. Chief Minister, Treasury and Economic Development Directorate (CMTEDD) – interjurisdictional relations, regional collaboration and development, water pricing;

d. Transport Canberra and City Services Directorate (TCCS) – own, manage stormwater assets, dam safety, service provider (inner north reticulation network);

e. Justice and Community Safety Directorate's (JACS) Emergency Services Agency (ESA) – flood management and response;

f. ACT Health Directorate – drinking water licencing, monitors recreational water quality;

g. National Capital Authority – management of water resources within Lake Burley Griffin; and,

h. Icon Water – ACT Government-owned water utility, water entitlement/licence holder.

18) Current agency water management responsibilities were mapped using stakeholder input through the Water Governance Review (Attachment E). The mapping process revealed that there are poorly defined, fragmented and/or overlapping water roles and responsibilities across the sector. The map represents the views of stakeholders on responsibilities – which were conflicting on some areas – demonstrative of the lack or clarity in the sector. It is recommended that a 'trueing up' and validation is undertaken as a priority foundational reform action to help clarify roles and responsibilities and to investigate options to amend Administrative Arrangements that would better align core policy, planning, regulatory and service delivery responsibilities.

19) Poorly defined roles and responsibilities have contributed to uncertainty over ownership of cross-sectoral issues and led to poor collaboration and policy implementation. Without a defined approach and accountability to coordinate decision-making and responses on multi-stakeholder issues, there has been a lack of progress in developing timely responses. This has been particularly evident in, but not limited to, inter-jurisdictional matters, integrated water management planning, WSUD compliance and stormwater management.

20) The Water Governance Review also identified gaps and misalignment in the capacity (skills, funding and information) and capability of the sector with respect to implementation. This has hindered delivery of key outcomes and activities with the ACT Water Strategy.

Options for reform

Reform agenda

21) Resolving the extensive, entrenched issues requires a package of reform activities to redefine the future direction for the water sector, provide leadership and build capability for developing innovative solutions. A reform agenda has been developed through the Water Governance Review to address identified governance issues. The reform agenda is presented in Figure 1 of Attachment D. It contains six priority (foundational) reforms, as well as secondary reforms, which could be implemented in the future pending the outcome of the priority reforms. The reforms

were prioritised against criteria including effectiveness, alignment with the OECD Principles on Water Governance, costs/benefits, practicality of implementation, and level of sector interest/support.

22) Four of the six priority reforms address capacity (resourcing, skills and information) and capability issues. These reflect the extent of capacity and capability shortfalls across the sector and the importance of addressing them to genuinely enable the sector to deliver on outcomes, including the ACT Water Strategy.

Office of Water – established to implement reform agenda and lead on all water policy and planning in the ACT

23) The fragmented nature of water management has contributed significantly to chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management - allowing that the function of the Office provides the centralisation of policy and planning functions, has authority to drive improvement, and is adequately resourced to act.

24) EPSDD has followed a structured process to consider four different options to deliver the reform agenda and the Office of Water. These include:

a. Option 1 – no Office of Water but a coordination forum is established to work on minor governance improvements.

b. Option 2 – an Office of Water is established to provide assurance and play a coordination role in facilitating minor governance improvements.

c. Option 3 (recommended) – an Office of Water is established with responsibility to implement the full reform agenda and assume all water policy and planning functions.

d. Option 4 – a new central water agency is established with responsibility to implement the full reform agenda and assume wide-ranging functions (policy and planning, operational, program delivery, regulatory, some service delivery (Inner-North Reticulation Network).

25) The recommended model (Option 3) for delivering on these core aims is to establish an Office of Water located within EPSDD that leads the implementation of the full reform agenda (i.e., priority foundational reforms and secondary reforms as deemed appropriate pending the outcome of priority reforms). This model would adopt all water policy and planning functions from the EPSDD plus relevant policy/planning functions from other agencies, subject to review and further consultation. Water related responsibilities not transferred to the Office of Water (e.g., service delivery, regulation, relevant activities such as development planning) could be managed through a consultative forum, to be developed during the establishment phase of the Office.

26) The responsibilities proposed to be transferred into a centralised policy and planning agency may include: cross-border water supply and regional water management, water allocation and trade, water service planning, water accounting and reporting, for example.

27) The core aim of the proposed Office of Water is to help the sector better:

a. clarify (or reset) the vision, objectives and goals for the sector;

b. tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;

c. coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated, integrated approach;

d. investigate and resolve deeper issues of governance and structure; and

e. communicate with the public on ACT water resource management issues.

28) The Office would have responsibility to:

a. lead policy and planning for the ACT water sector, including regulatory setting (e.g. setting environmental authorisations for water quality issues);

b. implement the full package of governance reforms;

c. undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;

d. provide the primary point of engagement with the ACT community on water sector issues; and

e. undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

29) In addition to delivering the reform agenda/activities, the Office would deliver the following:

a. review and refresh of the ACT Water Strategy 2014-44 Striking the Balance. (Feedback from the sector through the Water Governance Review indicated that the Strategy is difficult to operationalise and implement and that a re-set of the vision for the sector is warranted);

b. develop and implement a Ngunnawal Ngadjung Water Initiative to establish a framework for access to cultural and economic benefits from water including management of water entitlements;

c. develop a long-term Integrated Water Management Plan for water security and climate adaptation; and

d. establish a Water Information Hub to provide improved public access to up-to-date water information and reporting and support improved technical capability across government.

30) The recommended option was assessed as providing the most effective and efficient means by which to deliver against the PAGA commitment, existing policy and program commitments, the proposed package of reform activities and new initiatives (para 27).

31) Implementing an option with narrower scope and reduced resourcing than that proposed (e.g., Options 1 or 2) only provides for minor reforms to be implemented that will not comprehensively address the underlying governance issues or mitigate the strategic risks; preventing effective

implementation of water policy and planning. Option 2 has been costed to at least deliver existing policy and programs. The proposed four key deliverables (para 27) would also not be achieved and/or would be delayed and more limited in scope. For example, Options 1 and 2 do not cost for delivery of the Water Information Hub, for providing improved public access to water information, generation of new hydrological information and undertake modelling to support planning for climate change adaptation and integrated water planning. This new hydrological information underpins a proposed framework for Ngunnawal water entitlements to support a cultural economy and improved transparency for the ACT public about water management and usage.

32) Failure to address underlying governance issues presents strategic risks to the ACT Government, and the recommended option aims to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability). There is reputational risk in the continuation of unresolved issues that could erode public confidence in the ability of Government to manage water resources effectively.

FINANCIAL IMPACT

33) The Office of Water is proposed to operate for four years from July 2022 until June 2026. The continuation of the Office will be subject to an independent mid-term review in 2025 and funding for future years would be sought through a second budget bid in 2026.

34) A detailed business case outlining the costs for the four options to establish the Office of Water is at Attachment F.

WELLBEING IMPACT SUMMARY

35) The Office of Water will have a positive impact on all ACT residents through the environment and climate, and governance and institutions wellbeing domains. It will improve governance of ACT water resources, with flow-on benefits for the environment (aquatic and riverine health) and community (social health and connection). The initiative will strengthen the ACT water sector's resilience to cope with projected impacts from climate change and support a growing population.

36) Public access to information will be improved through the creation of a Water Information Hub developed and housed by the Office of Water. This will provide increased transparency and accountability throughout the water sector and facilitate increased community participation in management of the ACT's water resources.

37) The Office of Water will have a positive impact on the wellbeing of Aboriginal and Torres Strait Islander Peoples through the development and delivery of a new Ngunnawal Ngadjung Water Initiative. This will be co-designed and co-managed with the Ngunnawal community with the aim of securing Ngunnawal access to water for cultural use and economic opportunities.

CONSULTATION

External stakeholders

38) Icon Water was engaged in the development of the draft reform agenda and preferred model for the Office of Water through the Water Governance Review Advisory Group workshop process (October 2021-March 2022).

39) EPSDD Executive has presented the draft reform agenda and Office of Water to the Dhawura Ngunnawal Caring for Country Committee on 1 Feb 2022. EPSDD will work closely with the Committee and the United Ngunnawal Elders Council on the development and implementation of the Ngunnawal Ngadjung Water Initiative; a key deliverable for the Office of Water.

40) EPSDD has informed the ACT and Region Catchment Management Coordination Group about the draft reform agenda and proposed Office of Water on 30 March 2022. Relevant members of the Coordination Group have been involved in the Water Governance Review Advisory Group.

ACT Government agencies

41) Agencies with responsibilities for water management have provided input into the development of the draft reform agenda and model for the Office of Water through the Water Governance Review Advisory Group. Participating agencies were: CMTEDD (Treasury, Chief Minister, Access Canberra EPA); TCCS (Roads ACT and City Operations); JACS (ESA).

42) At a workshop of the Advisory Group there was a view put forward that the Office could be located in CMTEDD as a central agency – noting the diverse range of functions it would cover and its important coordination role. However, it is recommended that the Office is located in an agency (the EPSDD) that aligns with/has broader responsibilities for water management, and reports to the Minister for Water and the Legislative Assembly.

MEDIA/COMMUNICATIONS

43) It is proposed that a communications and engagement strategy is developed within the first three months of the Office's establishment given its key roles in water coordination and ensuring transparency and effective communication with key stakeholders and the ACT community.

44) Opportunities to announce the Office are being considered by EPSDD, for example during National Water Week in October, and a subsequent briefing will be provided.

IMPLEMENTATION

Table 2: **Implementation milestones and timeframes**

Milestones	Date to be completed[#]
Governance reform agenda – priority reforms	
1. Review of Administrative Arrangements to address alignment of core policy, planning, operational and regulatory functions	December 2022
2. Establish process for handling cross-cutting issues in the water sector	December 2022
3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of ACT Water Strategy	July 2023
4. Improve accountability and transparency for current funding arrangements	July 2024
5. Review and strengthen arrangements for sharing information between entities	July 2023
6. Review and strengthen arrangements for managing knowledge and sharing water information with the public	July 2023
Delivery of key policy initiatives and assets	
7. Development of a Ngunnawal Ngadjung Water Initiative (cultural water and entitlements)	July 2023
8. Refreshed Water Strategy in line with ten-year review	July 2023
9. Develop a Long-term Integrated Water Management Plan (Water Security Plan)	July 2024
10. Water Information Hub – information on quality, quantity, compliance, licencing, etc, accessible to public.	July 2024
Final completion date:	June 2026

Dates for milestone delivery will be confirmed through an annual work plan developed by the Office of Water.

HUMAN RIGHTS IMPACT

45) Nil.

Minister's signature _____ Date ___/___/_____

ATTACHMENTS

A	Table of Comments
B	Open Access Assessment: Cabinet Decision and Wellbeing Impact Assessment Summary
C	Wellbeing Impact Assessment
D	Report – ACT Water Governance Review (2022. Aither)
E	Map – current governance arrangements
F1-F5	Business Case EPSDD-E14
G	ACT Commissioner for Sustainability and Environment investigation into the state of lakes and waterways – draft recommendations

F

MINISTER FOR WATER, ENERGY AND EMISSIONS REDUCTION

CABINET BRIEF 22/159

Title	**Office of Water**
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Monday, 6 June 2022
Recommended position	SUPPORT

Submission recommendations
That you support all recommendations as drafted.

Final Agency responses
Formal comments were received during final circulation from Access Canberra. Access Canberra expressed that they do not support a modification of existing EPA regulatory functions around water allocation and trade, or any transfer of resources from EPA to the Office of Water. The proposed model for the Office of Water includes the policy and planning functions to develop the trade framework and associated policies. It is intended that the EPA will retain responsibility for regulation and compliance for water allocation and trade. The Cabinet submission can be amended to clarify.

CMTEDD (Treasury and Policy and Cabinet) do not support the proposed governance model, expressing preference for a model that provides facilitates coordination only and maintains the fragmentation of planning and policy responsibilities across multiple agencies. Treasury's are provided in the ERC paper E0009. The EPSDD's response to Treasury has been provided within the ERC paper.

EPSDD worked through a participatory process to develop a whole of government policy response to chronic governance issues negatively impacting water management outcomes. The solution proposed be EPSDD is focused on providing a good policy outcome. Concerns being raised are self-focused on the protection agency resources. The option preferred by CMTEDD will not deliver the necessary reforms to address the substantial issues that have been identified.

Issues

In response to the PAGA executive reform order, the Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT during 2021-22 (Water Governance Review).

The Review highlighted chronic issues extending across all areas of the water sector that are impacting agency performance. The issues are summarised as: poorly defined roles and responsibilities; inadequate capability and capacity (resourcing); and poor inter-agency coordination and decision-making on cross sectoral issues.

The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management; scheduled to be provided to Cabinet on 6 June 2022. The Report validates the governance issues raised in the Water Governance Review and provides specific detail on the negative effect that these governance issues are having on water management outcomes; for example, ineffective

implementation of water sensitive urban design and deteriorating water quality. The Commissioner also provides analysis highlighting that the issues being reported remain unaddressed since the 2019 State of Environment Report. The recommendations from the State of the Lakes and Waterways report are provided in the Submission at Attachment G.

The proposed model for the Office of Water, and associated priority reform activities, have been developed as a proportionate response to the issues raised during the Water Governance Review and the associated strategic risks. The solution set proposed was developed with the participation of all ACT Government agencies with water responsibilities and Icon Water.

Resourcing of water management activities is a critical inhibitor to the implementation of existing policy, strategies and plans, operations and maintenance, and compliance – this is supported by both the Water Governance Review and the Commissioner's report.

The proposed model for the Office of Water, the associated priority reforms and new initiatives, seek to provide renewed investment in ACT water management. The proposed model and the level of resource investment would support existing business activities and initiate new activities aligned with the Government's policy agenda, including social justice for Traditional Owners (cultural flows) and climate adaptation (water security).

Alternative options for the Office of Water with reduced resourcing are included within the business case. These lower cost alternative options, as preferred by Treasury, are expected to support some improvement in existing water management activities however will not be able to support substantial governance reforms or new initiatives without trade-offs to existing business activities. The alternative options are unlikely to support an effective response to the issues raised in the Commissioner's report on the state of the lakes and waterways in the ACT.

The water abstraction charge (WAC) is imposed to recover the catchment management costs and reflect the environmental cost of water extraction and the value of the water resource. The revenue raised by the WAC grossly exceeds expenditure on relevant water management activities. For the 2020-21 financial year, the variance between revenue and expenditure was $18.87m. Significant shortfalls in expenditure are reported since 2015. The proposed model for the Office of Water and associated deliverables seeks $6.1m spread over four years to June 2026 (between $1.3-$1.6m per year).

Wellbeing Impact Assessment

The Office of Water will have a positive impact on all ACT residents through the environment and climate, and governance and institutions wellbeing domains. It will improve governance of ACT water resources, with flow-on benefits for the environment (aquatic and riverine health) and community (social health and connection). The initiative will strengthen the ACT water sector's resilience to cope with impacts from climate change and support a growing population.

Context and consultation

Consultation on the development of the proposed model for the Office of Water, the priority reforms and new initiatives have been developed with the participation of all ACT Government agencies with water management responsibility and Icon Water. These 'stakeholders' will be most impacted by the proposed new governance arrangements.

The proposal provides a governance structure and level of investment that responds to issues that have been previously raised by different elements of the community over many years.

Icon Water conducted extensive community engagement in 2021 - "Let's Talk". The engagement program highlighted that water security, innovation, sustainability and water tariffs are the highest priorities for the community. The role of Icon Water versus the Government in progressing these matters was a common point of discussion in the community forums.

Cleared:	Ian Walker, Executive Group Manager, Environment, Heritage and Water (EPSDD)
Prepared by:	Ryan Breen, Director Water Policy Section

ATTACHMENT A

EXPOSURE DRAFT COMMENTS – 22/159

Exposure circulation undertaken: Bypassed exposure circulation

Reason for exception: Critical timing to meet the 2022-23 Budget process timeframes.

Dates circulated: N/A

FINAL COMMENTS – 22/159

Final circulation undertaken: 2 day final circulation

Reason for exception: N/A

Dates circulated: 19 – 23 May 2022

Directorate	Comment	Response
CMTEDD	Supported subject to the following comments: • Treasury does not support Option 3, which would transfer a considerable range of expert advice from broader directorate and Ministerial perspectives, through seeking to merge all roles in one team and Minister. ○ Roles and responsibilities relating to the water sector currently span across multiple ministerial portfolios and agencies, and can have significant impacts on other areas of Government, for example: ▪ enforcement of environmental protection – Environment Protection Authority within	TO BE UPDATED FOLLOWING ERC 24/05/22. The submission does not propose transferring regulation and compliance functions associated with water allocation and trade from the EPA into the Office of Water. The Office of Water would have policy and planning functions to develop the trade framework and associated policies.

	CMTEDD (Access Canberra); ▪ stormwater asset management which – Roads Infrastructure and Maintenance within TCCS; ▪ monopoly and price regulation, fees and charges, funding of emergency water infrastructure, assistance schemes, Community Service Obligation Payments, concessions and rebates – Treasury; ▪ climate change – Office of Climate Action; ▪ planning, water security, healthy waterways – EPSDD. ○ This has facilitated engagement and collaboration between agencies to tackle water related issues. • Policy and Cabinet (PCD) notes that reviewing Administrative Arrangements to better align core water policy, planning, operational and regulatory functions is a priority reform item in the business case. As such, PCD recommends against transferring responsibilities for water that do not sit within EPSDD until such time that a review is carried out. ○ In particular, PCD notes sensitivities and broader considerations underpinning cross-border water supply and regional water management listed in the submission. PCD considers these matters, along with broader regional cross-border strategic policy and collaboration, should remain within the Chief Minister's portfolio. ○ It is noted the business case proposes a delegation instrument be used to define initial responsibility	

	assigned to the Head of the Office of Water in the interim period. PCD considers this should not include any responsibilities that do not currently sit under the remit of the Minister for Water. • Access Canberra has identified an issue that warrants clarification around proposed structural changes for the Office of Water that may be inconsistent with National Water Initiative principles: ○ Paragraph 26 of the submission states: 'the responsibilities proposed to be transferred into a centralised policy and planning agency may include: cross border water supply and regional water management, water allocation and trade, water service planning, water accounting and reporting for example.' Page 11 of the submission further references "…delivery of water trading" under potential responsibilities for the Office. Notwithstanding most of those responsibilities already sit within EPSDD – the mention of water allocation and trade being transferred is concerning. Water allocation and trade currently sits within the regulatory function of the Environment Protection Authority (EPA). The transfer of that function to a policy and planning area is not aligned with National Water Initiative principles and such an arrangement – as was in place in NSW prior to a restructure – was identified in the recent Murray Darling Basin Authority (MDBA) water theft investigations as being a contributor to poor governance & accountability issues leading to improper water allocations. During the MDBA investigations, the	

	current ACT arrangements for water allocation and trade were not identified as having issues. ○ Model 3 for the Office of Water does not appear to recommend transfer of the role of water allocation and trade, rather it simply mentions transfer of some planning functions currently with EPA (perhaps planning referrals?). Therefore this appears to also be going beyond the Aither Report recommendations. • Accordingly, CMTEDD (representing PCD, Treasury and Access Canberra) recommends the cabinet submission clarifies that the proposed structure of the Office of Water does not seek to modify existing regulatory functions of the EPA around water allocation and trade, or reduce the regulatory capacity of the EPA by transferring any of its limited resources to the proposed Office of Water. Any removal of existing resources from the EPA will reduce its capacity to uphold various regulatory protections. • CMTEDD supports the approach of Option 2, which would apply the model successfully implemented by the Office of Climate Action, in coordinating the implementation of Government priorities, with the input and engagement of other directorates. • The establishment of an Office of Water, through Option 2, is likely to improve inter-agency coordination, noting various agencies have responsibilities and contributions into water policy.	
JACS	Supported.	
HD	Supported.	

CHS	Supported.	
EDU	Supported.	
TCCS	Supported.	
CSD	Supported.	
MPC	Supported.	
Statutory Office Holder	Supported.	

FINAL (POST-ERC) COMMENTS – 22/159

Final circulation undertaken: 2 day final circulation

Reason for exception: N/A

Dates circulated: Provide dates circulated

Directorate	Comment	Response
CMTEDD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
JACS	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
HD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
CHS	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
EDU	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
TCCS	Choose an item. [Provide comments.]	[Drafting directorate to provide response]

CSD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
EPSD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
MPC	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
Statutory Office Holder	Choose an item. [Provide comments.]	[Drafting directorate to provide response]

ATTACHMENT B

OPEN ACCESS ASSESSMENT: CABINET DECISION AND WELLBEING IMPACT ASSESSMENT SUMMARY

The Chief Minister must proactively release the information described in section 23 of the *Freedom of Information Act 2016* (the FOI Act) unless the information is contrary to the public interest in accordance with sections 16 and 17, and schedules 1 and 2 of the FOI Act. Please refer to the Cabinet Sharepoint Site for further guidance on what is within the scope of Open Access requirements.

If you believe that release of this information is within the scope of Open Access requirements and would be contrary to the public interest, please complete Part B.

PART A: Release proposed

Number and title of decision: **22/159 – Office of Water**

Proposed summary of the decision for public release
Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio for the Minister for Water.

Proposed summary of the Wellbeing Impact Assessment for public release
A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate resilient and water secure city that continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Island Agreement and the National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

Attachments for release

Summary of the decision	**Release through the Open Access website?**	**Release by Directorate?**
Summary of the decision	Yes	
Attachment A Table of final agency comments		
Attachment B Open Access Assessment – Decision Summary		
Attachment C Wellbeing Impact Assessment	Yes	No
Attachment D Report – ACT Water Governance Review 2022	No	No
Attachment E Map of current ACT Government arrangements	No	No
Attachment F Business Case	No	No

CABINET

WELLBEING IMPACT ASSESSMENT

Office of Water – Building a water secure city | **EPSDD** | **Wellbeing Impact 1**

Purpose of proposal

This proposal seeks to establish a new Office of Water located within EPSDD. The Office will lead the implementation of a package of reforms to improve water management in the ACT and drive strategic policy development. Improved governance is necessary to support a more efficient, effective and coordinated approach to water management in the ACT and region, and to equip the ACT Government to respond to the challenges posed to water security by a growing population and a changing climate.

Impact description

Holistic water management is essential for supporting a resilient and water secure city: for ACT residents to continue to access affordable, clean drinking water and to enjoy the many values (aesthetic, recreational, tourism, sporting, cultural and ecological) provided by the ACT's rivers and lakes.

The proposal will have a major positive impact through increased public confidence in the ACT Government's effective management of water resources, with benefits for the environment (aquatic and riverine health) and community (social health and cultural connection) through more effective program delivery and implementation. Improving water governance will provide a water sector that is resilient and responsive to climate change and population growth.

Improving public access to water information, as proposed, provides improved transparency and accountability of Government and opportunity for community participation in water resource management. This will contribute to a community that is better informed on water issues and increased trust in Government.

The proposal will have a positive impact on the wellbeing of Aboriginal and Torres Strait Islander Peoples through the development and delivery of a new 'Ngunnawal Ngadjung Water Initiative'. The Initiative aims to support increased participation of Ngunnawal people in water management and promote their stronger access to water for cultural use and economic opportunities.

Who is affected?

This proposal will contribute to improved wellbeing for all residents of Canberra and the surrounding region related to:

- the use of ACT's lakes and waterways for water consumption, recreation, cultural and aesthetic purposes;
- economic investment in urban development and industry; and
- a climate resilient and water secure city.

The wellbeing of some elements of the community will benefit more from the proposal, specifically:

- Ngunnawal people who will have increased opportunities for participation in water management and water access (through development of a Ngunnawal Ngadjung Water Initiative led by the Office);
- ACT residents seeking a climate resilient, water secure city;
- environmental advocates and recreational enthusiasts concerned for the health of ACT lakes and waterways; and
- water utilities and industry seeking confidence to invest in new water infrastructure.

Wellbeing domain

Environment and climate

The primary wellbeing domains impacted by this proposal are **environment and climate** and **governance and institutions.** However, because of the integral value of water to the ACT community there are also secondary impacts on the domains of health, economy and social connection.

WELLBEING IMPACT ASSESSMENT

Timeframe

Table 1.

Benefit	Timeframe for impact
Greater participation of Ngunnawal people in water management	1 year
Stronger ACT water governance arrangements in place	1-3 years
More informed public about how ACT water resources are managed	1-5 years
Increased trust by public in institutions/ACT Government's water management	3-5 years
ACT residents have access to cleaner lakes and waterways	5 years - decades
Improved outcomes for aquatic health of lakes and waterways	5 years -decades
Increased long term water security / security of supply	5 years - decades

Evidence base and data

What do we know now?

Scientific monitoring of catchment condition and water quality, and reviews of policy and policy implementation highlight significant issues resulting from the current governance arrangements intended to support the management of ACT waterways and water resources. Together they present a strong case for reform.

The ACT Whole of Government Climate Change Risk Assessment identifies several water-related issues as priority climate change risks for the ACT:

- water storage impacts and reduction of drinking water supply
- reduction in water quality affecting freshwater ecosystems
- reducing stability of alpine and subalpine environments.

The risk assessment notes that these risks have multiple interdependencies with other risks across other social, economy, built environment, natural environment, and governance domains. (ACT Government/AECOM Findings Webinar. Feb 2022).

Icon Water (2021. Report on the Survey of the ACT Drinking Water Catchment 2019-21) presents analysis of the change in inflows into the ACT 's water storages over the last 20 years. This analysis indicates that climate impacts on our water resources are occurring now, decades earlier and more pronounced than in the climate modelling used for the adaptation risk assessment. In addition to the reduction in water availability, the resultant effect of the changing climate is also evident in the declining water quality, increased temperatures and more frequent extreme weather events.

The Catchment Health Indicator Program (CHIP) collects data across the upper Murrumbidgee catchment. Over the period 2019-2020, approximately 59% of reaches across the upper Murrumbidgee catchment fell into the fair or poor range. For the 15 reaches of Ginninderra Creek catchment, where over 42% of ACT residents live, only one reach was classified in 'good' condition, with the remaining classified as fair (12) and poor (2). (CHIP reports 2019-2020)

The Office of the Commissioner for Sustainability and the Environment (OCSE) is concluding a review into the effectiveness of the ACT Government's management of Canberra's urban lakes and waterways. The final report is due in May 2022, however, early findings highlight many systemic problems impacting ACT waterways and resulting in high turbidity, algal blooms, untreated stormwater impacts, and poor policy implementation (e.g., water sensitive urban design) (Alluvium 2021, ACT Waterways Policy Review).

EPSDD led a review into water governance in 2020-21 which identified multiple, broad-ranging governance issues impacting the ACT water sector. If left unaddressed, these issues threaten to undermine the ability of the ACT government to effectively manage the ACT's water resources into the future. Issues relate to poorly defined roles and responsibilities across different agencies, inadequate capability and capacity of agency staff and poor cross-sectoral coordination. The review also highlighted key policy gaps, for example in long-term water planning for water security.

A long-term integrated water management plan (IWMP) is proposed to ensure we are a climate resilient and water secure city into the future. The ACT's population is projected to increase to 700,000 people by 2058 that will place greater pressure on the available water resources. Managing these multiple pressures relies on effective governance structures.

In June 2020 an expert stakeholder water security workshop was held in response to a 2019 ACT Legislative Assembly resolution on water security. The workshop underscored the need to develop a long-term plan for water security, and participants acknowledged that a more holistic governance structure was needed to manage the region's future water security.

WELLBEING IMPACT ASSESSMENT

Through the EPSDD-led water governance review, the Dhawura Ngunnawal Caring for Country Committee shared their perspectives on some of the barriers preventing stronger and more meaningful participation of Ngunnawal people in setting the vision for the sector and participating in water management decisions. They are encouraged by the direction and scale of proposed changes and are keen to continue the conversation with the ACT Government on how the Office and Ngunnawal Ngadjung Water Initiative can help remove these barriers.

What do we need to know?

The data needed to measure wellbeing impact is set out in the section below on 'accountability and evaluation'. The proposal includes a workplan to identify what new data and modelling needed to monitor and evaluate water quality outcomes.

Accountability and evaluation – how will we know this proposal has been successful?

The reviews and investigations described above provide a strong basis for institutional reform. It is proposed that a formal, independent review of the delivery of the proposal (Office of Water) occurs in year three of the Office's establishment. This review would assess:

- successful establishment of the Office
- delivery of reform agenda
- delivery of policy initiatives (e.g., Ngunnawal Ngadjung Water Initiative, refreshed Water Strategy, a long-term Integrated Water Management Plan for water security)
- delivery of the Water Information Hub asset
- early indications that the reforms and new policy development is translating to benefits in the wellbeing domains of environment and climate, and governance and institutions.

An early-stage evaluation plan is being developed by the Water Policy team, including indicators to better understand changes to governance, public awareness on water issues, public confidence in having a say on water issues, and riparian/aquatic outcomes.

An evaluation framework would be developed within the first six months of the Office's establishment to form the basis of the mid-term review and set out the performance metrics for annual reporting. Annual reporting could relate to the National Performance Reporting indicators and the revised ACT Water Strategy.

Key relationships

Water sector representatives have provided input to the development of the proposed Office of Water and package of priority reform activities through the EPSDD water governance review. Agencies included in the Review Advisory Group include:

- CMTEDD (Chief Minister, Treasury, Utilities Technical Regulator)
- Access Canberra (EPA)
- TCCS (City Operations and Roads ACT)
- Icon Water.

These stakeholders broadly agree on the nature and extent of issues around water governance in the ACT, the need for urgent major reforms and the merits of establishing an Office of Water to deliver the improvements.

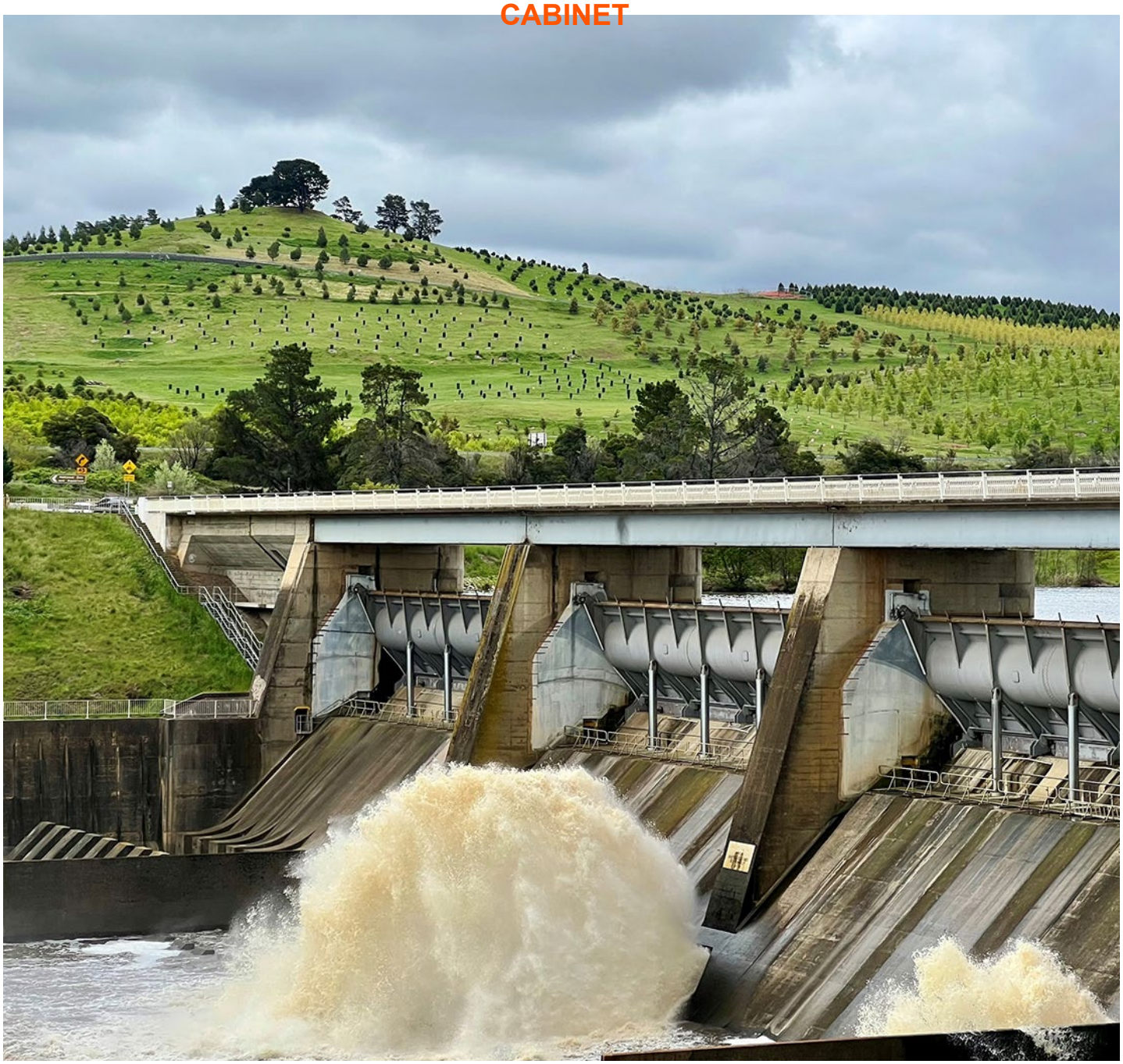
ACT Health and ESA have been consulted on the review and are supportive of the approach.

The Dhawura Ngunnawal Caring for Country Committee have been consulted on the proposed approach and wish to continue regular conversations with EPSDD as the proposal progresses.

Consultation with additional external stakeholders would occur subject to budget and Cabinet approval, including:

- ACT and Region Catchment Management Coordination Group (CMCG);
- Independent Competition and Regulatory Commission;
- National Capital Authority;
- Interested community groups/public.

Public consultation will occur in line with a communications strategy to be developed within the first six months of the Office's operation. Key messages and high-level approach to communications is described further in the business case (section 8 Communications).



ACT Water Governance Review - Stage Two

Final Reform Options and Implementation Guidance

A confidential Final Report prepared for ACT Government Environment, Planning and Sustainable Development Directorate

11 March 2022

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Acknowledgment of Country

Aither acknowledges Aboriginal and Torres Strait Islander people as the First Peoples of Australia and the Traditional Custodians of its lands and waters. We pay respect to the deep connection Aboriginal and Torres Strait Islander people hold with Country and celebrate the continuing effect of cultural knowledge and practices on Country and communities across Australia.

We pay our respect to Elders past and present, whose knowledge and leadership has protected Country and allowed Aboriginal spirituality, culture and kinship to endure through the ages.

We recognise the injustices and hardship faced by Aboriginal communities and reflect on opportunities for all Australians to play a part in reconciliation and the development of mutual understanding and respect across cultures.

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1. Overview

1.1. What is this report about?

This Final Reform Options and Implementation Guidance report is the final project report from the ACT Water Governance Review - Stage Two project.

1.1.1. The Stage Two project identifies a preferred model for the Office of Water and guidance for implementing priority reforms

The ACT Labor and ACT Greens Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly identifies an executive reform "to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy".

The ACT Government Environment, Planning and Sustainable Development Directorate (EPSDD) is leading the *Review of water governance in the ACT project* (the review), which aims to deliver on this executive reform order through a structured review process and in collaboration with ACT water management agencies. Its objective is to establish improved water governance arrangements for the ACT which are effective for improving the health of Canberra's waterways and instilling public confidence in the Government's approach to water resource management.

Stage One of the review[1] canvassed stakeholder views on strengths and issues with current governance arrangements. Stage Two identifies a preferred model for an Office of Water (OoW), and a recommended package of priority reforms for the OoW to implement. The scope of the project being to:

- confirm the vision for reform
- identify priority governance reforms
- develop, refine, and assess different models for the OoW
- recommend a preferred model for the OoW and governance reform agenda.

The EPSDD engaged Aither to run a structured process to deliver the above objective and scope for Stage Two. An Advisory Group was engaged to provide strategic advice, reflect stakeholder views and support activities on content and technical matters. The Advisory Group met five times over six months and also provided out-of-session input.

This Final Reform Options and Implementation Guidance report presents the final reform agenda and preferred model for the OoW, including an assessment of different models and a high-level implementation plan for the preferred model.

[1] Aither 2021, *ACT water governance review: Scoping paper on current issues and potential improvements.*

1.1.2. How is this report structured?

- **Section 2: A reform agenda for ACT Water governance** outlines the key issues and opportunities for the sector and the specific reform options shortlisted in response.
- **Section 3: A model for implementing reforms** including assessment of different models considered.
- **Section 4: A pathway for implementation** containing high-level guidance on implementation requirements.

The proposed ACT water governance reform package

The proposed ACT water governance reform package comprises a suite of governance reforms designed to: improve coordination; more clearly define roles, responsibilities and accountabilities; and lift the capacity and capability of the ACT water sector. It includes establishment of a new Office of Water (OoW) as well as a number of specific reform activities.

The preferred model for the Office of Water

The preferred model for delivering water governance reforms in the ACT is to establish an OoW that leads the implementation of governance reforms. The preferred model would also have the capacity to assume water policy and planning functions from EPSDD (plus relevant functions from other agencies), as informed by implementation of the governance reform options and alignment with principles of good governance.

Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW and with respective agencies. Exactly which policy and planning functions sit in the OoW is yet to be determined and requires further engagement and consideration of outcomes from other governance reforms.

The OoW would be established to:

- Lead the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms.
- Assume responsibility, where appropriate and consistent with governance reform priorities and principles of good governance, for selected water policy and planning functions and new policy priorities
- Chair the new inter-agency senior-executive forum, if established, to provide advice to the Office to inform policy development and support coordination and facilitation between agencies on cross-cutting issues.
- Undertake monitoring and reporting to government on the implementation of governance reform priorities as well as water plans, policies and strategies.
- Provide the primary point of engagement with ACT community on water sector issues.
- Facilitate information requests by the government and the public.

Reform agenda - foundational, secondary and priority focus area reforms

The priority, foundational reforms to be implemented by the OoW are:

- Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions.
- Establish a process for decision and policy making for cross-cutting water sector issues.
- Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies.
- Improve accountability and transparency for current funding arrangements.
- Review and strengthen information-sharing arrangements between water sector entities.
- Review current arrangements for collecting, managing and sharing water information with the public.

The secondary reforms to be considered by the OoW are:

- End to end regulatory review of core water management legislation
- Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination.
- Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities.
- Build capability and capacity through learning and development.
- Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector).

The following new policy areas were identified to be implemented by the OoW alongside the governance reform:

- Refresh of the ACT Water Strategy 2014-2044: Striking the Balance.
- Develop and implement a Ngunnawal Ngadjung Water Initiative.
- Develop a long-term Integrated Water Management Plan.
- Establish a Water Information Hub.

2. A reform agenda for ACT Water governance

2.1. Problem statement

For the ACT water sector to best serve its customers, community and the environment, it requires robust governance arrangements which help achieve a clearly defined vision and objectives. While this report focuses on areas in which the ACT water sector can improve governance arrangements, several governance related strengths are also identified through this project and the earlier *ACT Water Governance Review Stage 1* report. These strengths provide a good foundation for the governance improvements set out in this section, and include:

- The water sector generally operates in alignment with best practice institutional arrangements, with structural separation of water resource management, regulation and service delivery as called for in the 2004 *Intergovernmental Agreement on a National Water Initiative (NWI)*.
- There are strong and effective working relationships between stakeholders, agencies and staff which helped secure ACT water security and improve water quality in the catchment over the last decade.
- The *ACT Water Strategy 2014-2044* includes the key components of a contemporary rendering of *NWI* consistent water outcomes.

These are considerable strengths and suggest the sector is primed to rise to the challenges at hand and make significant improvements. There is a high degree of interest in this work and a desire from stakeholders to be involved in owning and driving solutions. This should be factored into any next steps and seen as an opportunity to build capacity and capability across the sector through working collectively on addressing issues.

The Stage 2 review identified several cross-cutting governance issues and reform priorities and opportunities to improve performance of the sector. These can be summarised as:

- roles, responsibilities and accountabilities can be better defined
- inter-agency coordination and decision making on shared issues can be improved, and
- capability and capacity in terms of skills, funding and information need building and better alignment.

A short description of the identified governance issues, aligned with each of these categories, is provided in sections 2.1.1 – 2.1.3 below.

Improving governance arrangements will help achieve desired outcomes from water policy and management. It will ensure clear roles and responsibilities, effective relationships, clear direction setting and decision-making, and improved public confidence and accountability. Overall, it will strengthen the sector and improve its capacity to deal with change and service the ACT community and environment into the future.

2.1.1. Roles, responsibilities and accountabilities can be better defined

Water sector roles and responsibilities are poorly defined and/or misunderstood (for example, in relation to progressing policy and responses to regional water security, or regional water service augmentation). There are also examples where current administrative arrangements distribute accountability for outcomes across multiple ministers and agencies (such as for oversight of environmental protection, catchment management, and water quality). This makes it difficult to coordinate strategic or holistic responses to issues due to the number of entities involved. These issues lead to:

- lack of clarity about core outcomes and activities
- duplication and fragmentation of roles and responsibilities
- gaps in roles and responsibilities (not performed)
- difficulty assuring performance and outcomes and managing risks
- poor visibility across outcomes
- ineffective decision-making and coordination
- difficulty implementing strategic responses
- insufficient or misaligned capability and capacity.

2.1.2. Inter-agency coordination and decision making on shared issues can be improved

Inter-agency coordination and decision-making on shared issues is currently not effective to best plan and manage for the ACT's water future. There is no defined approach across the ACT water sector for raising issues, coordinating decision making and responses, or addressing trade-offs when it comes to multi-stakeholder issues and integrated water management. This also extends to inter-jurisdictional decision making. These issues lead to:

- imperfect information / narrow stakeholder perspectives in decision making
- inefficient decision making / lack of consensus
- delayed / stalled progress on implementing key actions in the ACT Water Strategy and other shared issues
- a breakdown in communication to internal and external stakeholders as to how these issues are being considered and resolved.

2.1.3. Capability and capacity need building and better alignment

There are gaps and misalignment in the capability and capacity (in terms of the quantity and quality of human, financial, and information resources) required to implement roles and responsibilities across the sector. This prevents effective delivery of key outcomes and activities within the ACT Water Strategy and cross-cutting initiatives. This is hindered by unclear and fragmented roles, responsibilities and accountabilities. These issues lead to:

- gaps in key skill sets to support policy development and decision making
- reduced ability to attract and retain suitably qualified staff

- lack of sharing of resources and information, and availability of information for decision making
- funding allocation and prioritisation that does not appropriately support desired outcomes
- poor retention of institutional knowledge in the medium to long-term
- duplication of some monitoring and reporting (cost)
- gaps in some monitoring and reporting.

2.2. Solutions to address the issues

A number of options were identified to address the priority overarching governance issues summarised above. A long list of possible solutions were identified by comparing governance issues with the OECD Principles on Water Governance to identify changes required to better align with best practice.

The long list of solutions was then tested with the project Advisory Group during workshop 3. Solutions were presented for each issue area in response to the key breakages that were identified, as set out above (sections 2.1.1 - 2.1.3). Following the workshop obviously unviable options were eliminated. Aither then described the scope of the remaining options in greater detail, including the:

- purpose
- scope of the work
- change required to deliver the option
- indicative resourcing and costs
- timeframe
- interdependencies and sequencies with other options, and
- OECD principles the option would address.

2.3. Assessment

The detailed solution scopes were assessed against criteria to determine which solutions are best suited to address the identified governance issues. The assessment criteria included:

- **Effectiveness:** Is the solution likely to solve the issues (in terms of overarching governance issues and focus areas)?
- **Alignment with principles:** How does the solution align with principles of good water governance?
- **Alignment with desired objectives:** Does the solution contribute to the vision for the ACT water sector?
- **Criticality:** How material is the issue and solution?
- **Costs/ benefits:** What are the likely qualitative costs and benefits?
- **Practicality of implementation:** How practical is the solution to implement (considering required changes)?
- **Level of sector interest/ support**: What is the level of sector interest or support as expressed through the project?

- **Linkages with other options:** Does the option reinforce or support the implementation of other important improvements? Does the option duplicate or undermine other options?

The assessment was informed by review of relevant literature, policy and legislation for the ACT water sector. The assessment was then tested with the Advisory Group to confirm the analysis and the draft reform agenda.

A summary of the assessment of each solution against the above criteria, as discussed with the Advisory Group in workshop 4 is included in Appendix A - . The final priority foundational reforms and secondary reforms selected to be progressed are set out in section 2.4 below.

2.4. Reforms required to improve governance

The assessment of solutions identified several cross-cutting reform priorities and opportunities to improve performance of the sector (Figure 1). The reforms can be categorised into three groups:

- clarifying roles, responsibilities, and accountabilities
- improving coordination and collaboration, and
- addressing capability and capacity gaps.

The reform priorities were further separated into priority foundational reforms and secondary reforms. Priority focus areas, where the sector could achieve significant uplift in policy or outcomes, were also identified. These are described below.

The reforms are proposed to be implemented by an OoW according to the assumptions for each OoW model described in section 3.

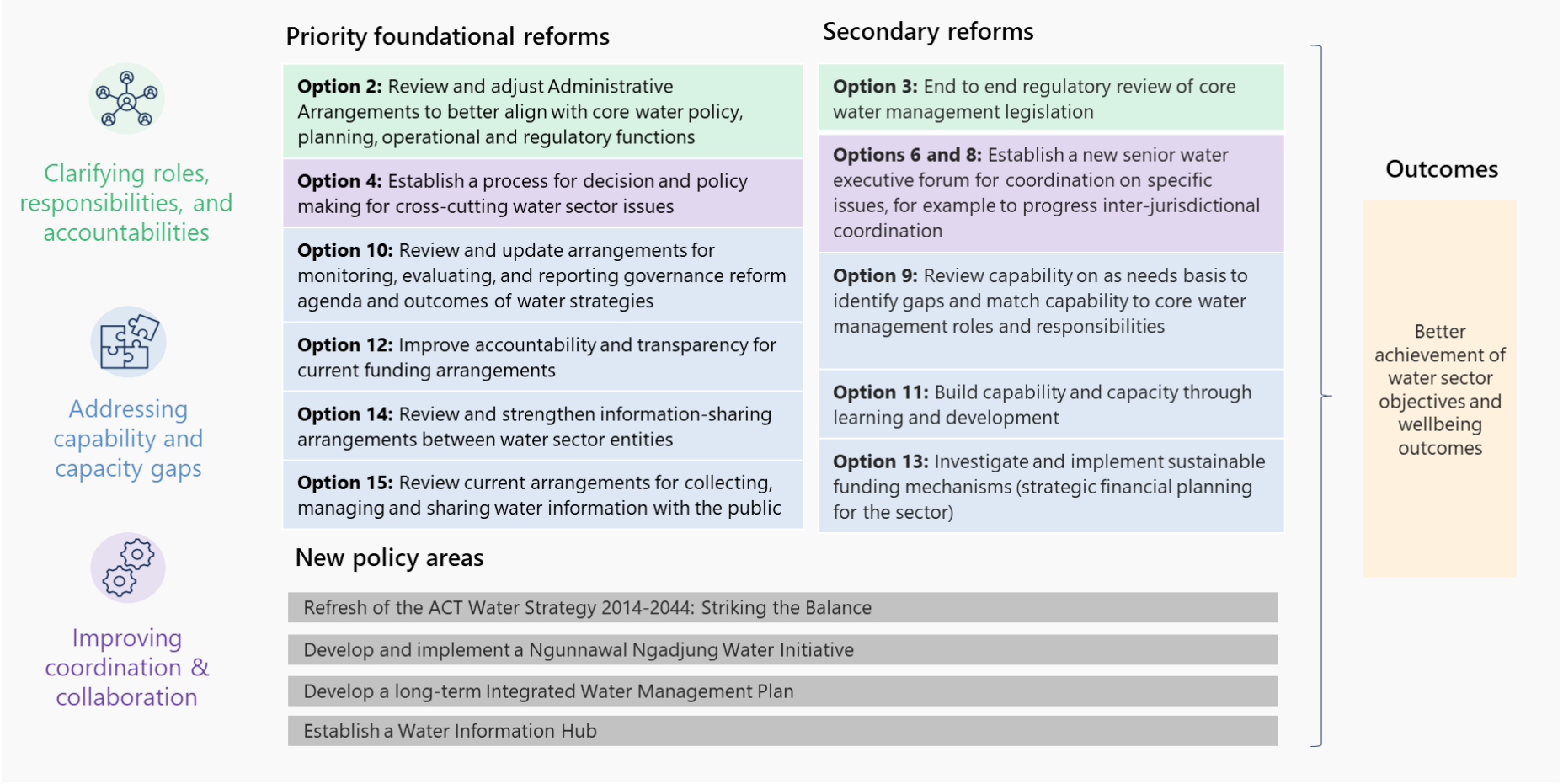


Figure 1 Summary of reform agenda

Priority foundational reforms and secondary reforms selected to be progressed

Appendix A sets out the assessment of potential reform options, as presented to and discussed with the Advisory Group during workshop 4 on 14 December 2021.

The priority foundational reforms and secondary reforms set out in sections 2.4.1 and 2.4.2 below have been selected to be progressed following workshop 4. The selected reforms reflect additional thinking and changes to the wording and scope of some of the original reform options as set out in Appendix A. Material changes to the wording, scope or assessment of the reform options include:

- **Options 6 and 8.** Both options 6 and 8 were assessed as options that could be progressed as secondary reforms following workshop 4. These options have since been combined into a single secondary reform, with an amended role to support the OoW, rather than as the primary coordination mechanism. The need for such a coordination forum would be resolved following implementation of reform option 4. If progressed as a secondary reform, a new senior water executive forum could provide advice on cross-cutting issues and inter-jurisdictional coordination to the OoW, with the OoW taking on the role of coordination, and liaison for inter-jurisdictional matters.
- **Option 15.** Option 15 was escalated from a secondary reform to a priority foundation reform, as it is considered an important first step for the OoW to undertake to align with and support a refresh of the *ACT Water Strategy 2014 - 2044* and to support development of a water information hub

2.4.1. Priority foundational reforms

The priority foundational reforms will provide significant uplift to governance arrangements across the sector by addressing the root causes of key governance issues affecting the sector. The priority foundational reforms are set out in Table 1 below.

Table 1 Priority foundational reforms

Category	Reform option	Description
Roles, responsibilities and accountabilities	**Option 2** Review and adjust Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions	This is a foundational activity to support other governance reforms, including reviewing and matching capability to core water management roles and responsibilities. This involves reviewing current Administrative Arrangements and documentation of roles and functions at the agency level for all agencies with water sector responsibilities, and recommending any structural changes required through adjustments to Administrative Arrangements.

Category	Reform option	Description
Coordination	**Option 4** Establish a process for decision and policy making for cross-cutting water sector issues	This activity includes the OoW establishing an agreed process between relevant water sector entities for progressing and resolving cross-cutting water sector issues, including guidance on when consultation and collaboration between agencies should occur, identifying the lead agency for key issues and thresholds for escalating issues for resolution.
Capacity and capability	**Option 10** Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	This reform streamlines current agency and entity reporting processes, and provides a consolidated monitoring, evaluating and reporting framework to assess the implementation of water plans, policies and strategies.
	Option 12 Improve accountability and transparency for current funding arrangements	The reform supports governance arrangements for the allocation of resources to align with prioritised capacity and capability requirements. This includes mapping existing funding streams and allocations to agencies and establishing a process to monitor and report on funding for water management activities.
	Option 14 Review and strengthen information-sharing arrangements between water sector entities	Access to information is essential for building and retaining corporate knowledge in the longer-term and supporting agency staff to deliver against their roles and responsibilities. A review will identify gaps/blockages in information sharing, and the type, format, and frequency of information required to support implementation of water management activities. Recommendations from this review will identify improvements in processes and procedures for information sharing and inform the scoping of a water information platform. This activity should occur after option 2 (review of administrative arrangements).
	Option 15 Review current arrangements for collecting, managing and sharing water information with the public	This activity is integral to enhancing public trust and promoting accountability in management of the ACT's water resources and is a foundational step for establishing the OoW as the point of contact for the ACT community on water information. The review would inform the scoping of a web-based water information hub (option 16, refer to Appendix A).

2.4.2. Secondary reforms

In addition to the priority foundational reforms, several secondary reforms were identified for the OoW to consider, pending the outcome of the priority reforms (Table 2). The scheduled mid-term review of implementation of the reform options is a natural decision point for determining the ongoing need for secondary reform options, or any additional options identified in the interim.

Table 2 Secondary reforms for the OoW to consider

Category	Reform option	Description
Roles, responsibilities and accountabilities	**Option 3** End to end regulatory review of core water management legislation	Involves a review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance. This review would consider the requirement for legislative amendments This is not a current priority. The Advisory Group agreed that, in general, current water legislation was fit for purpose and that gains could be made in improving the administration and implementation of legislation before a review was required. Legislative review could be undertaken as a standalone activity in 3-5 years' following the implementation of other governance reforms. This could be reconsidered as part of the mid-term review for the OoW.
Coordination	**Options 6 and 8** Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination	The priority reform option 4 provides for the OoW to establish a fit-for-purpose process for improved coordination and decision-making. The nature of any new forum or governance structure will be subject to the priority activity.
Capacity and capability	**Option 9** Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	A full sector capability assessment is not warranted at this point in time. However, the process of delineating roles of responsibilities may lead to the identification of capability gaps.
	Option 11 Build capability and capacity through learning and development	Targeted activities to address gaps can be identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.

Category	Reform option	Description
	Option 13 Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	This activity could follow priority reform option 12 (improved accountability and transparency for current funding arrangements), and explore options to address funding gaps for policies, programs and services. This activity would involve developing an understanding of the short-, medium- and long-term investment needs for the sector, reviewing the funding mechanisms available, optimising the allocation of existing funding, and identifying options/mechanisms for improvements.

2.4.3. Priority focus areas

Implementing the priority governance reforms are expected to lead to significant improvements in the performance of the ACT water sector. The reforms are expected to provide significant uplift in specific policy areas where these governance issues are most prominent and where progress has been affected as a result. Similarly, there are several discrete policy areas where there are notable gaps in the current system. Together these offer the ACT Government an opportunity to demonstrate progress and achievement of tangible water management outcomes by progressing them in tandem with the governance reforms.

The following priority focus areas were identified to be progressed with the governance reform:

- refresh of the ACT Water Strategy 2014-2044: Striking the Balance
- develop and implement a Ngunnawal Ngadjung Water Initiative
- develop a long-term Integrated Water Management Plan
- establish a Water Information Hub.

3. A model for implementing reforms

3.1. Why an Office of Water?

The Stage Two review identified a range of improvements outlined in the reform agenda in the preceding section. Under current arrangements – the status quo – there is a risk that these improvements will not be realised. Therefore, there is a need for dedicated capacity and additional support to help deliver the proposed reform agenda.

Aither was asked to consider how different models for an OoW could be used to further governance reform priorities. The concept, need and potential scope of an OoW was tested with the Advisory Group through identifying the main functions, roles and responsibilities needed to implement reforms for the sector (i.e., what needs to be done to implement the reform agenda). Discrete models with different functions, roles, and responsibilities in supporting the water sector were then developed and tested. In addition, a model where no OoW is established but some lighter touch governance reforms are implemented was also scoped and tested.

The core aims of having an OoW is to help the sector better:

- clarify (or reset) the vision, objectives and goals for the sector
- tackle discrete and more immediate issues and governance reforms (where clearly articulated), such as roles, responsibilities and accountabilities
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach across the sector
- investigate and resolve deeper issues of governance and structure for the sector
- communicate to the public how ACT water resources are managed.

An OoW will also help to elevate water sector issues, bring additional expertise to the sector and help build capacity, and act as an intermediary and coordinator between relevant agencies on cross-cutting issues.

3.2. The preferred model for delivering ACT water governance reforms

The preferred model for delivering water governance reforms is summarised below. Section 3.4 presents a full description and assessment of all models.

The preferred model for delivering ACT water governance reforms is to establish an OoW that leads the implementation of all priority (foundational) governance reforms. This model would also provide the flexibility to assume water policy and planning functions from EPSDD (plus relevant functions from other agencies), as informed by implementation of the governance reform options and alignment with principles of good governance.

Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW and with respective agencies. Exactly which policy and planning functions sit in the OoW is yet to be determined and requires further engagement and consideration of outcomes from other governance reforms.

The OoW would be established to:

- Lead the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms.
- Assume responsibility, where appropriate and consistent with governance reform priorities and principles of good governance, for selected water policy and planning functions and new policy priorities
- Chair the new inter-agency senior-executive forum, if established, to provide advice to the Office to inform policy development and support coordination and facilitation between agencies on cross-cutting issues.
- Undertake monitoring and reporting to government on the implementation of governance reform priorities as well as water plans, policies and strategies.
- Provide the primary point of engagement with ACT community on water sector issues.
- Facilitate information requests by the government and the public.

This model was assessed as providing the most effective and efficient means by which to implement the reform priorities identified in Section 2. It will also help elevate policy priorities and provide a forum for cross-cutting issues and decision-making.

The OoW would be led by a Head if Office and supported by additional staff (approximately 10-15 Full Time Equivalent (FTE)). An initial period of four years for OoW to focus on delivering governance reform priorities is proposed, with a mid-term review in year 3 to consider possible extension beyond this term.

The preferred model (Model 3) is further described in Section 3.3 and assessed along with other models in 3.4.

3.3. Identifying and refining options for the Office of Water

3.3.1. Model identification

Roles and functions

Models for an OoW were identified by looking at the key functions and roles required to implement the reform agenda. This included:

- **Strategy and direction setting**: working with all the players in the water system and with stakeholders to set the vision and strategy for the sector and reforms and changes required to deliver against the ACT Water Strategy.
- **Coordination and facilitating improved collaboration between agencies:** to address cross-cutting issues and reach agreed positions on matters impacting the sector.
- **Coordinating implementation of reforms**: boundary riding various players in the water system and hosting special projects to enable the delivery of governance and other water sector reforms.
- **Implementation of reforms**: responsibility for delivering one or a range of reform initiatives.
- **Undertaking water sector reviews and inquiries:** to improve water sector operation and governance.

- **Performance monitoring against the strategy and reporting**: both of the system and individual players.
- **Engagement:** Providing a single (or key) point of engagement with ACT community on water.

Design principles

The design of models for the OoW are based on the overarching principle of form follows function. That is, the potential mix of functions that each model might perform were identified first, and then design assumptions (enabling environment, resourcing and costs, term, funding, etc.) were developed based on the functions and role identified.

The design and refinement of models also considered whether each model:

- is efficient and avoids any duplication of roles and functions (e.g., on reporting)
- would have the authorising environment to perform its functions effectively
- can be held to account for executing its functions.

A spectrum of models was identified to provide for comparison from generally lighter touch roles and functions (like reporting and assurance) through to more substantive roles in implementation of the reform agenda.

All models aim to include the following traits:

- The internal structure of an OoW is focused on the leadership level, and is preferably compact, flat and nimble.
- The OoW is supported by good access to expertise, this may include an advisory panel or board, or less formal arrangement with relevant sector stakeholders.
- There are defined mechanisms for working with other players in the ACT water system.
- There are defined mechanisms for community engagement.
- The OoW maintains and implements a work program for its duration.
- The OoW operates with transparency and is held accountable for its performance.

3.3.2. Office of Water models for assessment

An initial set of four models for an OoW was developed based on the early views of the Advisory Group and research and inputs from the project team. This list was workshopped with the Advisory Group to inform the refinement of the models and identify a potential 'preferred model'.

Following workshops with the Advisory Group, Aither was requested to consider the ability of some models to assume responsibility for ongoing policy and planning functions for the sector. How this has changed the models since Workshop 4 with the Advisory Group is included below in Table 3. Aither has not analysed what ongoing policy or planning functions might be transferred to an OoW. This could be further tested and agreed through the process of implementing the priority reform items. Nevertheless, there is merit in considering how the OoW might play an enduring role in improved governance for the sector by taking responsibility for some functions - provided this aligns with the reform agenda and principles of good governance.

The four models for assessment are:

1. Model 1 - No OoW but a coordination forum is established to work on governance improvements.

2. Model 2 - OoW provides assurance and plays a coordination role in facilitating governance reforms
3. Model 3 - OoW leads implementation of governance reforms, may assume policy and planning functions
4. Model 4 - OoW leads implementation of governance reforms and assumes wide ranging functions as central water agency.

These models are outlined in Table 3.

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Table 3 Summary of options

	Model 1: No OoW – establish coordination forum	Model 2: OoW – assurance and facilitation	Model 3: OoW – Governance reform lead	Model 4: OoW – central water agency
Refinements since Advisory Group Workshop Four	This model is new.	This model reflects models 1 (assurance) and 2 (facilitation) from the initial models tested with the Advisory Group.	This model builds on the Model 3 (Facilitator and Lead on Governance Reforms) that was tested with the Advisory Group by including an expanded role for the OoW to potentially assume some policy and planning functions.	This model is an expanded version of model 4 that was tested with the Advisory Group. It includes a central water policy agency that would potentially include policy, planning, operational, program delivery and regulatory responsibilities (currently dispersed across multiple agencies).
Role statement	No OoW is established. Existing stakeholders establish a new coordination forum to pursue minor governance improvements (see below).	The OoW enables the implementation of water sector strategy and some minor governance reforms through leading coordination between relevant agencies and monitoring and reporting on progress. The OoW provides assurance to the ACT Government and ACT community on progress in implementing both water governance reforms and addressing cross-cutting water issues. It will act as a point of accountability for the water sector and is intended to build confidence in the Government and the community that the sector is functioning effectively and is delivering on the key outcomes as articulated in the ACT Water Strategy.	The OoW leads the implementation of governance reforms and may assume water policy and planning functions from EPSDD plus limited relevant functions from other agencies, as determined through a roles and responsibilities review (Option 2). Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW with respective agencies.	The OoW leads the implementation of governance reforms as per Model 3. Water sector operation, program delivery and regulatory responsibilities would be brought into OoW through Machinery of Government changes and legislative amendments
Summary functions	This model assumes there is no OoW or additional capability or capacity across the sector to implement the identified reform agenda. Water sector stakeholders would rely on existing arrangements and mechanisms to deliver improvements. This would be supported by a new coordination forum.	Key functions: • Coordinates reforms with other parties (does not lead implementation) • Facilitates coordination forum with a focus on governance reform agenda • Facilitates community and stakeholder engagement to water reform and ACT Water Strategy • Monitors and reports on implementation of the ACT Water Strategy and of agreed governance reform actions. • OoW may be commissioned by the Minister or sector to provide advice on how to improve implementation.	Key functions: • Leads the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms. • Provides monitoring and reporting to Government on the implementation of water plans, policies and strategies. • First point of engagement with ACT community on water sector issues. • Facilitates information requests by the Government and the public. • Chairs coordination forum, if established, to inform policy development and coordination and facilitation between agencies to address complex and cross-cutting issues. • Pending implementation of priority governance reforms: – Responsible for new policy outcomes delivery – Responsible for delivering any functions assigned to it through the roles and responsibilities review (Option 2) (assumed to	As per key functions for Model 3, plus expanded role (indicatively) covering, programs delivery and regulatory functions. Service delivery to remain with Icon Water and TCCS.

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	Model 1: No OoW – establish coordination forum	Model 2: OoW – assurance and facilitation	Model 3: OoW – Governance reform lead	Model 4: OoW – central water agency
			be policy and planning functions).	
What reform agenda items could be progressed under this option	Minor reforms only: • Option 1: Better specify existing roles and responsibilities (in current administrative arrangements) through agreements and performance measures • Option 6: Establish a new or alternative forum/s to drive interagency coordination • Option 11: Build capability and capacity through learning and development • Option 14: Review and strengthen information sharing arrangements between water sector entities • Option 15: Review current arrangements for collecting, managing and sharing water information to understand what information is collected and the best way to provide it to agencies and the public.	Same as Model 1, but the OoW would take a direct role in establishing the coordination forum and provide overall assurance to the government and ACT community on delivery of the reform agenda.	All priority foundational reforms,	All priority foundational reforms.

3.4. Assessment of models for an Office of Water

3.4.1. Assessment criteria

The models were assessed against the criteria in Table 4 below. The assessment sought to identify which model is best able to deliver the priority governance reform items effectively and efficiently.

Priority foundational reforms include:

- Option 2 - Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions
- Option 4 - Establish a process for decision and policy making for cross-cutting water sector issues
- Option 10 - Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies
- Option 12 - Improve accountability and transparency for current funding arrangements
- Option 14 - Review and strengthen information-sharing arrangements between water sector entities
- Option 15 - Review current arrangements for collecting, managing and sharing water information with the public.

Table 4 Criteria for assessing models

Criteria	Description
Effectiveness	*Does the model support implementation of reform agenda items and help address governance issues?*
Alignment with principles of good water governance	*Does the model align with and further contribute to the principles of good water governance?*
Alignment with outcomes (ACT Water Strategy)	**1. Healthy catchments and waterbodies** *Well-managed, functioning aquatic ecosystems that protect ecological values and contribute to the liveability of the ACT community.* **2. A sustainable water supply used efficiently** *An integrated and efficient water supply system that provides for the optimal mix of supply options, encourages efficient use of water, and is resilient to climate variability, and supports the social, economic and environmental needs of the ACT community.* **3. A community that values and enjoys clean, healthy catchments and waterways** *Work with the ACT community to continue to use water efficiently, and to ensure safe, clean water for recreation and the environment.*

Criteria	Description
Capability and capacity to deliver draft reform agenda	*Does the proposed model provide appropriate capability and capacity to deliver the draft reform agenda and ensure ongoing benefits from improved governance?*
Contribution to Wellbeing Indicators	*Assessment against this criterion has focused on the general contribution to the wellbeing domain of Climate and Environment and associated indicators.* *Better water management (triggered supported by implementation of the reform agenda identified in this report) would have flow on benefits that influence a range of other wellbeing domains – this should be considered when evaluating the implementation of specific reform options.*
Costs	*What are the likely costs and resourcing requirements? How do they compare to other models?*

3.4.2. Model 1 - No Office of Water, establish coordination forum

Assessment result

This is not considered a viable model for implementing the identified governance reform agenda and improving water governance in the ACT. As a result, current issues (identified through this project) are likely to persist and undermine the ACT water sector in delivering on its vision and objectives.

This model, by virtue of establishing a coordination forum, would provide some marginal and incremental improvements in governance over time. However, there is a risk that without additional support or assurance, reform implementation is not prioritised, and the status quo is maintained.

Model 1 description and assumptions

Please refer to Table 3 for description of *role statement* and *functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 1 are outlined in Table 5. Based on these assumptions, the criteria assessment for Model 1 is presented in Table 6.

Table 5 Model 1 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	Relies on the leadership of existing agencies.
Authorising environment requirements	Relies on current arrangements.
Resourcing and cost assumptions	Would require modest resourcing that would be drawn from current capacity.
Funding and phasing requirements	Some minor additional funding to support implementation of reform options is assumed.

Assessment against criteria

Table 6 Model 1 criteria assessment

Criteria	Assessment
Effectiveness	An OoW is not established under this model. Rather, existing stakeholders would establish a new coordination forum and pursue a limited number of lower priority reforms. This may result in some minor improvements to governance of the sector; however, the lack of increased capability and capacity to drive the reforms may limit the effectiveness of these improvements. As priority reforms 2, 4, 10, and 12 (which offer greatest improvement to the underlying governance issues) would not be delivered through this model, it is unlikely to be as effective as other options which better address the root governance issues.
Alignment with principles	This model would support greater alignment with principles of good water governance (through implementation of reform options) but leaves many of the more substantive reform actions that have been identified untouched.
Alignment with outcomes	**OUTCOME 1: Healthy catchments and waterbodies** The model would provide some support for improved coordination and clearer roles and responsibilities but would be unable to help achieve significant structural or funding changes that would improve program delivery for this outcome in this space. For example, it would not involve reviewing and improving funding mechanisms for water management activities and programs as per option 12 and 13 - which would materially improve performance against this outcome. **OUTCOME 2: A sustainable water supply used efficiently** Model would support this outcome at a basic level through incremental improvements to water governance but would not resolve some of the priority reform actions required to achieve this important outcome to the extent it could be. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model does not actively increase or improve community participation or interaction with the water sector. Marginal improvements to outcomes 1 and 2 would flow through to community and support this outcome.

Criteria	Assessment
Capability and capacity to deliver draft reform agenda	This option would only focus on implementing some lower priority reform priorities. Therefore, it would not provide significant an uplift in capacity and capability, as other options which implement the primary reform agenda. Relying on current arrangements and resourcing (which are both sources of governance issues) without significant additional interventions to address the root causes of governance issues would be unlikely to shift the status quo.
Contribution to Wellbeing Indicators	Model would result in limited improvements to the *healthy and resilient natural environment indicators* on water quality and catchment health (see assessment against Water Strategy Outcomes above). It is unlikely to precipitate governance reforms that would create wider cross-sectoral benefits through better water management – for example, noticeable changes in indicators related to connection to nature such as increasing use of high-quality green open space or higher access to waterways.
Costs	This option would only require minimal additional funding but would require current agencies to identify capacity and capability under current resourcing to actively pursue reforms (and this would likely cause strain on already stretched resources). It would require modest resourcing for the coordination forum and to help pursue reform options.

3.4.3. Model 2 - Office of Water – assurance and facilitation

Assessment results

This model is assessed as supporting similar reforms and outcomes as Model 1 but with greater assurance reporting on delivery of the reform agenda. It would not make a substantive contribution to delivery of the full list of reform priorities that have been identified and is therefore not the preferred model (though it is preferable to Model 1). It is likely to support improvements and provide an overall positive impact but does not deliver as much overall value as other models.

Model 2 description and assumptions

Please refer to Table 3 for description of *role statement and functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 2 are outlined in Table 7. Based on these assumptions, the criteria assessment for Model 2 is presented in Table 8.

Table 7 Model 2 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	This option would be led by a Deputy Director-General (or senior executive role) who would be responsible for coordinating governance reforms and chairing the coordination forum. The Deputy Director-General would report to the Minister.
Authorising environment requirements	Unlikely to require major changes (e.g., legislative change or significant reworking of administrative arrangements) besides establishment of the OoW with limited assurance and facilitation responsibilities. Likely to be embedded in existing agency rather than new entity.
Resourcing and cost assumptions	Moderate level of resourcing to support Deputy Director-General function with minimal additional staffing required to support reporting and assurance, in addition to coordination forum establishment and ongoing secretariat functions. Cost and resourcing to deliver reform options would be dispersed across agencies (similar to Model 1). Indicatively, senior lead plus 3-4 staff for managing Coordination Forum, sector and community engagement, and reporting.
Funding and phasing requirements	Two- or three-year funding timeframe and phasing. Timebound and focused on delivering initial rollout of governance reform agenda.

Assessment against criteria

Table 8 Model 2 criteria assessment

Criteria	Description
Effectiveness	This model would provide additional oversight and coordination of implementation for the same subset of governance reforms that Model 1 would implement. As for Model 1, priority reforms 2, 4, 10, and 12 would not be delivered through this model which offer greatest improvement to the underlying governance issues. The OoW providing facilitation and assurance would help drive reforms, but implementation would ultimately rely on the capacity, capability and willingness of other agencies to pursue reforms (and without additional funding or support to do so).
Alignment with principles	This model would support some progress towards the principles of good water governance (through implementation of some lower priority reform options). The model would result in some improvements to coordination and decision-making– which is a key governance issue for the sector – but not to the same degree as other models.

Criteria	Description
Alignment with outcomes	As for Model 1, this model would not provide significant uplift to outcomes as it would not achieve significant improvements to governance to support improved water management outcomes. **OUTCOME 1: Healthy catchments and waterbodies** Model would support improved coordination and roles and responsibilities that would improve efficiency, but unlikely to achieve significant structural or funding changes that would improve program delivery against this outcome. **OUTCOME 2: A sustainable water supply used efficiently** Model would support improved coordination across roles and responsibilities that would contribute to sustainable and efficient water supply; it would help to address key themes of cross-border issues and improving decision-making on cross-cutting issues which are important in achieving this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in the water sector decisions and direction on key issues than Model 1.
Capability and capacity to deliver draft reform agenda	This model would provide marginal improvements to capacity and capability in terms of coordinating and, facilitating effort and reporting on performance, but would not directly increase capability and capacity for implementation for key reform actions – some of which are likely to require additional support.
Contribution to Wellbeing Indicators	See above option.
Costs	There would be moderate costs involved in resourcing this model based on the resourcing assumptions in Table 7. This would be the lowest cost model that includes having an OoW. Similar to Model 1, existing agencies would be required to find the capacity to implement reforms (which creates opportunity costs for implementing their existing functions).

3.4.4. Model 3 - Office of Water leads on governance reforms

Assessment results

This model is assessed as comprehensively supporting the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would be relatively lower cost and administratively simpler to deliver than model 4. The Advisory Group indicated it was the option that would be most likely to garner the support of the sector but noting that some members viewed that the OoW should have a role in coordination of reforms only, not implementation of reforms.

The model could also assume responsibility for policy and planning functions over time.

Model 3 description and assumptions

Please refer to Table 3 for a description of role statement and functions. The assumptions about key attributes and requirements that underpin the assessment of Model 3 are outlined in Table 9. Based on these assumptions, the criteria assessment for Model 3 is presented in Table 10.

Table 9 Model 3 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	This option would be led by a commissioner reporting and accountable to the Minister responsible for progressing and implementing reforms.
Authorising environment requirements	Changes to Administrative Arrangements be required if functions are to be transferred into the OoW from other agencies. Some responsibilities may be transferred through delegation instruments. Establishing the Head of Office as a statutory position through new legislation is not required however may be subject to review. Office would be embedded in existing agency.
Resourcing and cost assumptions	Moderate to high level of resourcing to support functions. Indicatively, the Head of Office role plus 10-15 support staff to established as a taskforce to implement governance reforms and to manage the transferred policy and planning responsibilities. The balance of the magnitude of staff resourcing will depend on the level to which reform agenda actions are delivered in house or externally. For example, technical analysis and consultation for some options could be delivered by external entities working closely with the OoW and stakeholders. In terms of assuming policy and planning responsibilities: • It is assumed that transfer of functions from other divisions (e.g., policy and planning functions moving from EPSDD Water Policy Division to OoW) would be like for like in terms of resourcing and not require 'new funding' to fill positions. • The establishment of new teams and movement of staff would also result in productivity and transaction costs from the disruption. • Any new future policy areas or initiatives would need to be costed and accounted for in addition to this.
Funding and phasing requirements	Funding for four years including for a mid-term review in year three. Second budget bid anticipated after mid-term Review pending assessment of effectiveness of OoW and need for ongoing policy and planning functions to be housed in the OoW.

Assessment against criteria

Table 10 Model 3 criteria assessment

Criteria	Description
Effectiveness	The model is best placed to deliver the preferred package of reform options that address the core governance issues. Depending on the extent to which functions are moved to the OoW as a result of implementing any recommendations from a roles and responsibilities review (option 2) it could also elevate policy and planning priorities which currently reside with other agencies into the OoW – improving the integration and decision-making on cross-cutting issues for the water sector.
Alignment with principles	The model is aligned with these principles itself and it has greatest control over delivering and adapting the reform agenda – which addresses many of the principles.
Alignment with outcomes	**OUTCOME 1: Healthy catchments and waterbodies** This model would contribute substantially to this outcome through the implementation of a number of priority reform options that could help improve roles and responsibilities, funding and other aspects of governance that contribute to delivering healthy catchments and waterbodies. For example, resolving funding models and increasing the sustainability and certainty of funding (even without increasing the overall quantum) would support better long-term investment and delivery of various programs in this space. **OUTCOME 2: A sustainable water supply used efficiently** This model would support delivery of reform options that would increase the effectiveness of decision-making and planning for water supply, which would make an important contribution to this outcome. Specifically, reforms to improve roles and responsibilities, decision-making and handling of cross border issues would support greater achievement of this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in water sector decisions and direction on key issues – coupled with increased capacity to deliver on actions in response.
Capability and capacity to deliver draft reform agenda	OoW staffing will increase overall capability and capacity in the sector. Combining core policy functions within OoW would also help build capability and capacity in the sector.

Criteria	Description
Contribution to Wellbeing Indicators	Model would support improvements to the *healthy and resilient natural environment* indicators on water quality and catchment health and would improve *Connection to nature* through more effective policy, planning, funding and delivery of programs that support these domain indicators. Implementing the priority reforms through this model would also result in wider benefits from improved water resource management and services that would positively influence other well-being domains. This includes domain areas such as health, liveability or education that could be more actively targeted through a more effective and responsive water sector with increased capacity and capability.
Costs	This model would require a moderate to higher amount of additional funding to staff the OoW and implement priority reforms. It is a step change from options 1 and 2 but provides significant additional capability and capacity. There are also likely to be costs associated with structural changes (for example, moving policy functions under the OoW) and other disruptions as staffing budgets and costs are transferred.

3.4.5. Model 4 - Lead on governance reforms and establish central water agency

Assessment results

This model is assessed as comprehensively supporting the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would require more substantive reforms and upfront and ongoing resources, making it relatively less efficient in delivering the reform agenda outlined in this report. However, it is likely that this model would bring additional capacity which may deliver value beyond the governance reforms, for example, improved and consolidated program delivery and coordination within a central water agency.

There are elements of this model that are not consistent with principles of good governance – principally, the blending of policy and regulatory functions in a single organisation.

Model 4 description and assumptions

Please refer to Table 3 for description of *role statement and functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 4 are outlined in Table 11 below. Based on these assumptions, the criteria assessment for Model 4 is presented in Table 12.

Table 11 Model 4 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	Head of Office with direct reporting and accountability to the Minister

Assumptions and requirements	Description
Authorising environment requirements	Legislation would be required to establish a new agency, and changes to Administrative Arrangements would be required to transfer functions from other agencies. Would require authorising environment outside of EPSDD (new agency). The model would require legislative changes to transfer appropriate Authority to the new office.
Resourcing and cost assumptions	Would require significant resourcing to operate, including similar or greater additional staff as identified for Model 3 (10-15 FTE) to pursue reform agenda priorities, plus greater transfer of resources from other agencies reflecting transfer of functions. The ongoing cost would be greater. Even if like for like resourcing requirements for the transfer of functions to the new agency are assumed, the complexity and significance of the change would create significant transaction costs and disruptions. Resourcing to support new policy priorities would need to be considered in addition to the above costs.
Funding and phasing requirements	Would be established on an ongoing basis with sustained funding through annual budgets.

Assessment against criteria

Table 12 Model 4 criteria assessment

Criteria	Description
Effectiveness	This model would comprehensively support the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would require more substantive reforms and therefore greater upfront and ongoing resources, making it relatively less efficient in delivering the reform agenda outlined in this report compared to Model 3. However, this proposed model may bring additional capacity which may deliver value beyond governance reforms.
Alignment with principles	There are elements of this option that are not consistent with principles of good governance – principally, the blending of policy and regulatory functions in single organisation. This would be detrimental to improving governance in the ACT.

Criteria	Description
Alignment with outcomes	This criterion has been assessed as broadly the same for Model 3 and Model 4. The two models may differ in terms of the ongoing impact they would have on outcomes through the ongoing nature and wider responsibilities across the sector of Model 4. This has not been considered in the assessment below. **OUTCOME 1: Healthy catchments and waterbodies** This model would contribute substantially to this outcome through the implementation of a number of priority reform options that could help improve roles and responsibilities, funding and other aspects of governance that contribute delivering healthy catchments and waterbodies. For example, resolving funding models and increasing the sustainability and certainty of funding (even without increasing the overall quantum) would support better long-term investment and delivery of various programs in this space. **OUTCOME 2: A sustainable water supply used efficiently** This model would support delivery of reform options that would increase the effectiveness of decision-making and planning for water supply, which would make an important contribution to this outcome. Specifically, reforms to improve roles and responsibilities, decision-making and handling of cross border issues would support greater achievement of this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in water sector decisions and direction on key issues – coupled with increased capacity to deliver on actions in response.
Capability and capacity to deliver draft reform agenda	Significant staffing required for a central water agency will increase capability and capacity in the sector. Combining water sector functions within a central water agency will help build capability and capacity in delivering the reform agenda, and the capacity and capability of the sector overall.
Contribution to Wellbeing Indicators	Model would support improvements to the *healthy and resilient natural environment* indicators on water quality and catchment health and would improve *Connection to nature*. Through implementing the priority reforms, it is likely that adopting this model would result in wider benefits from improved water resource management and services that would positively influence other well-being domains.
Costs	This model would be the costliest to implement, due to the increase staffing to facilitate and implement the governance reforms, plus the costs of combining and establishing a central water agency.

Criteria	Description
	This model would also likely take longer to implement as it would necessitate changing legislation and coordination across multiple agencies – delaying the achievement of desired outcomes for the sector.

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Table 13 Summary of assessment

Criterion	Model 1	Model 2	Model 3	Model 4
	No OoW, coordination forum	*OoW provides assurance and facilitator of reforms*	*OoW leads governance reform and may assume policy and planning functions*	*OoW leads governance reforms and is established as central water policy agency*
Effectiveness	Not effective in delivering priority reforms.	Not effective in delivering all priority reforms, but more confidence in achieving some improvement (compared to model 1).	Would effectively deliver on priority governance reforms.	Would effectively deliver on priority governance reforms.
Alignment with principles	Unlikely to materially improve alignment with principles of good governance.	Unlikely to materially improve alignment with principles of good governance.	Reforms implemented would improve sector alignment with principles significantly.	Reforms would lead to improvements, but this would be potentially counteracted by the amalgamation of roles and functions that would benefit from some institutional separation (i.e., does not align with principles of good water governance)
Alignment with outcomes	Minor improvement against Water Strategy outcomes.	Minor improvement against Water Strategy outcomes.	Would make a significant contribution to outcomes.	Would make a significant contribution to outcomes.
Capability and capacity to deliver draft reform agenda	Minimal capacity.	Assurance and facilitation functions increase capacity to deliver (some) reforms.	Has the ability to deliver reforms and would also increase capacity and capability of the sector over time.	Has the ability to deliver reforms and would also increase capacity and capability of the sector over time.
Contribution to Wellbeing Indicators	Minimal improvement	Minimal improvement	Significant improvement in climate and environment domain, with ability to support other domains.	Significant improvement in climate and environment domain, with ability to support other domains.
Costs	Lowest cost	Low-medium cost	Medium-High cost	Highest cost
Result	Worst performing model	Low risk and lower cost model that would have some positive impact	Best performing model based on balancing all criteria.	High-cost model that would be complex to implement, does not align with governance principles but is likely to deliver positive outcomes.

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4. A pathway for implementation

4.1. Overview

This section provides a high-level pathway for improving governance arrangements in the ACT. It includes direction on:

- Steps for establishing the OoW (based on the preferred model identified in Section 3).
- Proposed sequencing and planning activities for the OoW to implement the governance reform items.
- High-level implementation timeframes.

Detailed planning and business case development will be required for the OoW. This section provides high-level information to guide detailed implementation planning. Once established, the OoW will lead the implementation planning and further scoping of reform actions identified in this report. This would include confirming sequencing, undertaking necessary government and public consultation, and cost-benefit appraisal of individual reform options (as required).

Content in this section draws on the detailed reform scopes for each reform option (Appendix B).

4.2. Establishing the Office of Water

This section provides high-level steps for establishing an OoW based on the preferred model identified in Section 3.2. The steps are based on the Australian Public Service Commission's toolkit for establishing taskforces, with adaptations to match the nature of the OoW and its position within the ACT Water sector.

The sections below cover:

1. scope
2. governance
3. strategic plan, work program and delivery
4. engagement
5. staffing and recruitment
6. corporate and administrative requirements
7. monitoring, evaluation and reporting.

These points are ordered from a top-down perspective (from overall scope and governance to more detailed operational requirements) to provide a logical coverage of requirements for establishing the OoW. These steps can occur in parallel; they do not offer a sequential task list for establishing the OoW.

4.2.1. Scope

Current status

The scope of the OoW is set around the implementation of agreed reform options outlined in this paper, plus leading new policy areas. The OoW may also assume policy and planning functions following appropriate review and consultation with the sector.

The key deliverables and timeframes for the OoW are further specified in Sections 4.3 and 4.4.

Further steps required

The scope of work and implementation pathway articulated in this report will need to be reflected in clear terms of reference, charter, Ministerial commissioning letter or similar foundational scope document for the OoW. The scope will be based on the funding allocation and other key decisions from the government on the OoW (following this report). The scope should set clear expectations for the Office and other key stakeholders in the sector.

4.2.2. Governance

Current status

At this stage, there is only a high-level articulation of governance and the authorising environment[2] required for the OoW. These requirements include:

- Strong leadership under a Head of Office, with direct reporting to the Minister.
- A clear authorising environment that has the sector's buy-in and provides appropriate powers and standing to perform the roles and functions required of the Office.

The internal structure and governance of the Office and its relationship to other agencies is yet to be determined. This will depend on the funding and directions from the government on establishing an OoW and will be critical for success.

Further steps required

Steps required:

1. Create an authorising environment that is commensurate with the Office's role and (desired) stature.
2. Confirm and document:
    a. leadership arrangements for the Head of Office, including reporting, decision-making and accountability,
    b. internal Office of Water structure; and,

[2] Public sector organisations require authority to deliver on their functions. This authority comes in different forms and from different sources which make up an 'authorising environment'. There are 'formal' or 'hard' authorities, like those granted through legislation, budget approvals and a range of statutory, financial or administrative delegations. These are necessary, but insufficient on their own, to enable an organisation to be successful. There are also 'Informal' or 'soft' authorities, which are the mission-critical people and organisations that support and authorise the scope of work and manner in which work is undertaken. This can include ministers, central agencies, other departments, portfolio agencies and a wide range of stakeholders (APSC, 2021).

c. relationship to other water sector agencies (including, for example, obligations to engage).

3. Develop a clear position statement for the Head of Office that sets out role, responsibilities, reporting, and accountability (see staffing and recruitment below).

4.2.3. Strategic plan, work program and delivery

Current status

The work program for the OoW will consist of the reform options and new policy functions identified in this report. Section 4.3 provides more detail on how these activities could be sequenced within a work program. This is based on assumptions that the OoW is established as per the preferred model identified in this report. Changes to the nature, funding or other aspects of the OoW would influence its capacity to deliver the program. Some detail for the work program design is left to the OoW to best tackle the required changes.

It is recommended that the OoW develops a clear strategic plan or statement of approach and intent. This would provide a touchstone for the OoW and how they proceed with their work and signal how they will go about their work to the sector.

Further steps required

Following its establishment, the Office should produce its own strategic plan and a detailed work program for the minister's sign-off. Any material divergence to the work program proposed here must be clearly explained and accepted.

- The strategic plan should define success, what 'mission critical' is for the OoW, and how it will go about effecting change at a high level (values and behaviours, roles and functions).
- The detailed work program should, at a minimum, include:
  - confirmed timelines and deliverables,
  - budget, resourcing and allocation of work/ tasks,
  - any requirements for appraisal or assessment (for example, cost-benefit analysis, Regulation Impact Statements)
  - engagement process and approach
  - expected outcomes and contribution to ACT Wellbeing Framework
  - monitoring, evaluation and reporting.

The above points must be considered at the reform option or policy initiative level (rather than the work program overall). A clear timeline should be set for the Office to deliver this.

4.2.4. Engagement

Current status

The role of the OoW is cross-cutting and includes the specific requirement to be the lead interface between the water sector and the public. The reform options also include establishing a coordination forum for policy and decision making for cross-cutting water sector issues.

Further steps required

Further work on the formation of the coordination forum and the approach to engagement with the water sector and the community should occur in parallel to the establishment of the OoW. This will allow relevant government agencies to have input and support clear expectations across the sector.

Steps required include:

1. Coordination forum scoping and terms of reference - the coordination forum will be an essential asset for supporting the OoW's work program and should be progressed in parallel to the Office forming. It would benefit from input from likely members to help set the expectations and terms of reference.
2. Ongoing engagement with relevant sector stakeholders regarding the establishment of the OoW and implementation of the reform agenda.
3. Develop draft community engagement strategy - assuming the function of public engagement will require the OoW to have a clear strategy on community engagement and coordination with other agencies. It would be helpful to further scope how this function will be performed in practice in advance of the OoW forming as it will be a key operational requirement from the outset (including to inform other activities of the OoW).

Once established, the OoW would convene the coordination forum and be responsible for finalising and operationalising the community engagement strategy. Detail on the engagement approach at the reform option level will be addressed via the work program (see section above).

4.2.5. Staffing and recruitment

Current status

The preferred model includes indicative resourcing and staffing requirements for the OoW and guidance on the need for a Head of Office with the capability to lead effectively. Further work is required to flesh out the detail around staffing the OoW and making these staff appointments.

An interim team could begin formally establishing the OoW (see Box 1).

Further steps required

The following steps are required to support the establishment of the Office:

1. Articulate the leadership needs and attributes for the Head of Office and pursue early appointment of the Head of Office to facilitate the establishment of the OoW (also see point 3 below). The Head of Office will require:
    a. extensive water sector expertise ideally across water policy and planning, resource management and governance
    b. exceptional leadership, collaboration and relationship building skills to advance priority reforms with the buy-in of the wider water sector
    c. appropriate standing and authority (real and perceived) with the sector to chair the coordination forum and lead the OoW - this may include a need to consider any candidate's perceived independence and impartiality.

2. Identify and confirm the broader skills, subject matter expertise, attributes and mix of staff required for the Office (including in response to the funding allocation and other characteristics of the OoW yet to be confirmed).
3. Develop position descriptions and commence recruitment. It would be beneficial to focus on filling the Head of Office role and senior positions early (see point 1 above), to:
    a. Confirm the leadership, 'put a face' to the leader of the Office of Water early.
    b. Allow the Head of Office and senior recruits to input to the recruiting process and build complementary capabilities into the Office.
    c. Allow the Head of Office to begin owning the strategic direction and operational set-up of the OoW.

Option for an interim team to establish Office of Water

Given the work required to undertake the steps outlined above and several of the steps outlined against other elements for establishing the OoW, it may be beneficial to provide dedicated interim support for establishing the Office of Water (for example, a sprint team or working group). Ideally, the team would be staffed by people currently within the ACT Water Sector, who might ultimately assume roles in the OoW - supporting capacity and capability building over time.

The priority (assuming budget and Cabinet submission approval) for this team would be to progress appointment of the Head of Office, who would then lead the interim team until the OoW is formally established.

4.2.6. Corporate and administration requirements

Current status

This element of establishing the OoW has not been considered in this report and will depend on key decisions by the ACT Government.

Further steps required

Further steps to be confirmed by the ACT Government, likely requirements include resolving issues such as:

- Development of processes and policies (for example, for onboarding)
- Any centralised support systems and services required by the OoW (for example, human resources, procurement, information technology and information management)
- Location and housing the OoW.

4.2.7. Monitoring, evaluation, and reporting

Current status

Monitoring, evaluation, and reporting (MER) will need to be embedded in OoW operation. MER will be vital in ensuring effective implementation and delivery of desired outcomes for the water sector.

Further steps required

Embed MER for the OoW is likely to involve developing:

- A performance framework for the OoW, in parallel with the Strategic Plan and work program (described in 4.2.3). The Minister should endorse the performance framework and work program.
- The performance framework should:
  - define MER requirements for the OoW in implementing governance reforms, and leading new policy initiatives
  - confirm desired outcomes and indicators for demonstrating performance (and be aligned with the Wellbeing Framework)
  - outline roles and responsibilities for monitoring and reporting activities
  - set expectations regarding annual and continuous reporting.
- An Evaluation Plan for the OoW that includes:
  - The requirement for a mid-term review and full-term review
  - Sets out key evaluations questions and how the evaluation will be conducted (e.g., by an independent third-party).
- An Assurance Work Program to guide the OoW's assurance functions for the ACT water sector.

These MER requirements are separate from the overarching MER function that the OoW may take on for other water plans, policies and strategies. The OoW will be responsible for defining its approach to this.

4.3. Sequencing of implementation activities

As outlined in the section above, the OoW will undertake detailed implementation planning for the reform agenda. A visual representation of the sequencing, dependencies, and potential timing of reform implementation is provided in Figure 2 and further described in Table 14. The sequencing draws on the original solution scopes and assumptions prepared during the project (see Appendix B).

As outlined in Figure 2 below, key establishment activities and planning would occur during Year 0. The roles and responsibilities review (Option 2), the process for decision and policy making for cross-cutting issues (Option 4), ACT Water Strategy Refresh, and development of the Ngunnawal Ngadjung Water Initiative) would all begin in Year 1. Delivery of the remaining foundational reforms, the Integrated Water Management Plan, and the Ngunnawal Ngadjung Water Initiative implementation would start from Year 2. The secondary reforms and the Water Information Hub would begin after Year 3, following the mid-term review of reform implementation. It's important to note that this sequencing and prioritisation is for illustrative purposes, with final decisions on this subject to the Head of Office, once appointed, in consultation with the Minister.

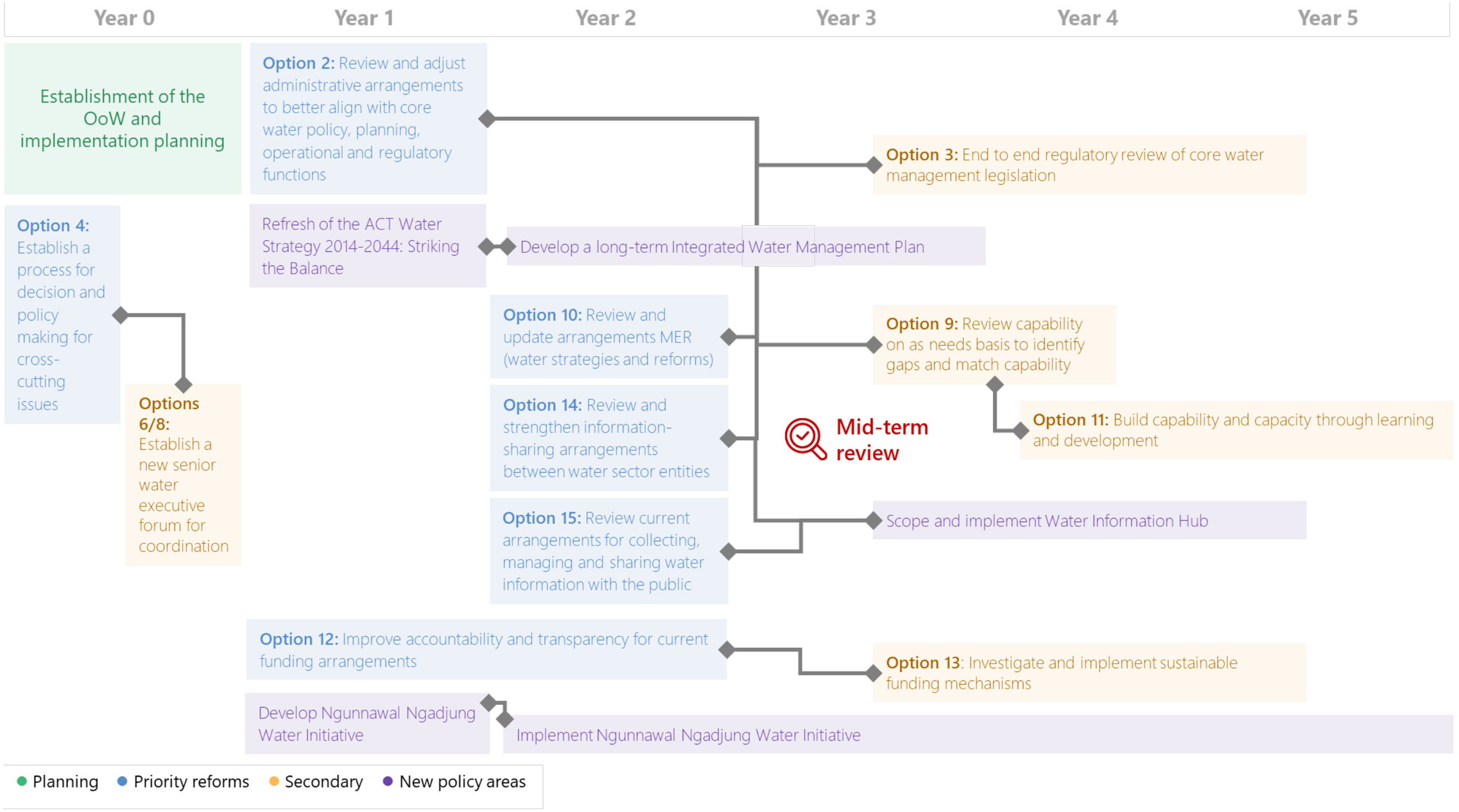


Figure 2 Summary of reform activities and sequencing

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Table 14 Key deliverables and dependencies

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
Establishing the Office of Water					
Scope	Confirm the scope for the OoW in a clear terms of reference	• Budget and Cabinet submission process	Within 2 months	Lead: EPSDD	OoW terms of reference
Governance	Confirm authorising environment, governance arrangements, and position statement for the Head of Office.	• Budget and Cabinet submission process	Within 2 months	Lead: EPSDD	Authorising environment Governance arrangements established Head of Office position statement
Strategic plan, work program and delivery	Produce Strategic Plan Produce a detailed work program for the OoW	• Budget and Cabinet submission process	6 months	Lead: OoW	Strategic Plan Detailed work program
Engagement	Establish the new Coordination Forum Undertake stakeholder mapping Establish an engagement and communications plan to guide interaction with other agencies and the community	• Expectations for engagement should be included in terms of reference • Reform options 4 and 6/8	2 months 6 months 6 - 12 months	Lead: OoW	Coordination Forum established Stakeholder mapping complete Communications strategy in place
Staffing and recruitment	Identify staffing requirements for the OoW Develop position descriptions for key staff Recruitment of Head of Office Establish interim team (if required) Appoint staff to deliver OoW functions as duration dictates	• Budget and Cabinet submission process	Within 2 months Within 2 months 3 months 6 months	Lead: EPSDD, then OoW	Staffing requirements and position descriptions defined Head of Office appointed Interim staffing appointed Ongoing staffing appointed
Corporate administration	Extend required corporate support (HR and onboarding, building access, IT and accommodation, finance and procurement and records and information) from EPSDD	• Budget and Cabinet submission process	Within 3 months	Lead: OoW	Corporate support for OoW established
Monitoring, evaluation and reporting of OoW establishment and implementation	Establish MER framework for OoW and reforms Establish annual assurance program	• Input to Water Strategy Refresh • Input to Option 10 MER • Input to midterm review (Jun 2025) • Input to assurance program	6-12 months	Lead: OoW Support: all water sector agencies	Program evaluation framework in place – links to Wellbeing Impact measures. Annual assurance program established
Implementing primary governance reforms (Dec 2022 - Dec 2025)					
Option 2: Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions	See solution scope: • Establish terms of reference for review • Conduct review (including consultation) • Cabinet process for recommendations • Implementation of endorsed recommendations	• The foundational task for all reforms • ACT Water Strategy refresh should align with outcomes • Dependent on effective interagency coordination	6 months (review to decision) 3 months (implementation)	Lead: OoW Support: all water sector agencies	Terms of reference established Review completed Cabinet endorsement of recommendations Implementation of recommendations
Option 4: Establish a process for decision and policy making for cross-cutting water sector issues	See solution scope: • Engage with agencies to evaluate current policy and decision-making processes and identify improvements • Develop and document a new process.	• Dependent on roles and responsibilities • Could be done as part of new terms of reference for coordination group (option 5 and 6)	2 months	Lead: OoW Support: all water sector agencies	New inter-agency protocols and procedures for resolving cross-cutting issues are in place

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Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
	• Establish leadership groups and coordination forums, with secretariat support, as required.				
Option 10: Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	See solution scope: • Define objectives and approach/method • Initiate review, including consultation with affected agencies • Implement arrangements.	• Depends on Water Strategy refresh • Depends on roles and responsibilities (Option 2)	Within 1 year	Lead: OoW Support: all water sector agencies	Recommendations report on how to improve monitoring/reporting approach for reforms and Water Strategy
Option 12: Improve accountability and transparency for current funding arrangements	See solution scope: • Define objectives and scope • Conduct process to: – Map current funding streams and allocations to agencies and outcomes. – Define monitoring and reporting requirements. – Implement systems and processes. – Establish governance and a central entity for use of the funding information. • Cabinet process for any proposed changes • Implementation of endorsed changes	• Depends on roles and responsibilities (Option 2) • Input to Option 13	Within 2 years	Lead: OoW Support: all water sector agencies	Funding (including the WAC) is accounted for in annual reporting
Option 14: Review and strengthen information-sharing arrangements between water sector entities	See solution scope: • Define objectives and scope • Review information sharing arrangements between ACT and region water sector entities. • Consult with entities on information sharing gaps, type, format, and frequency required to deliver functions. • Develop and document new information sharing protocols.	• Feeds into water info hub scoping and business case • Complete in parallel to option 10 and 15	Within 1 year	Lead: OoW Support: all water sector agencies	New protocols for information sharing arrangements between agencies/Icon Water is in place
Option 15: Review current arrangements for collecting, managing and sharing water information with the public	See solution scope: • Define objectives and scope • Review current practice and arrangements for managing and sharing information with the public. • Stakeholder consultation to determine information needs of stakeholders and the public. • Develop sector-wide arrangements for how and what information is managed and shared with the public.	• Feeds into water hub scoping and business case • Complete in parallel to option 10 and 14	Within 1 year	Lead: OoW Support: all water sector agencies	Guidelines in place about what will go on the public info hub (info sharing arrangements with the public)
Implementing secondary reforms (Dec 2025 - Dec 2027)					
Option 3: End to end regulatory review of core water management legislation	See solution scope: • Establish terms of reference for review • Conduct review (including consultation)	• Would be completed after option 2, if mid-term review indicates need	Within 2 years	Lead: OoW Support: all water sector agencies	Review completed and recommendations implemented

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
	• Cabinet process for recommendations • Implementation of endorsed recommendations				
Options 6 and 8: Establish a new senior water executive forum for coordination on specific issues, for example, to progress inter-jurisdictional coordination	See solution scope: • Determine purpose and membership of the new forum. • Establish work program. • Clarify expectations for meetings, attendance and authority, tempo, and reporting. • Revise and document Terms of Reference. • Establish a committee structure and a secretariat (could be performed by OoW).	• Subject to the outcomes of Option 4	Within 6-months	Lead: OoW Support: all water sector agencies	New coordination forum established
Option 9: Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	See solution scope: • Define objectives and scope for review • Undertake independent assessment of the ACT water sector's organisational capability to deliver core roles and responsibilities. • Implement required measures to address any identified capability gaps or opportunities.	• Dependent on option 2 • Would only be completed if needed (for example, as raised by midterm review)	Scope and commence within 1 year	Lead: OoW Support: all water sector agencies	Capability review conducted and recommendations implemented
Option 11: Build capability and capacity through learning and development	See solution scope: • Establish and deliver ongoing learning and development programs	• Dependent on option 2 • Dependent on option 9	1-year to 2-years and ongoing.	Lead: OoW Support: all water sector agencies	Learning and development programs in place
Option 13: Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	See solution scope: • Conduct a review of: – current programs, funding and performance and estimate required funding. – public funding mechanisms available to the sector – potential alternative funding arrangements – opportunities to improve skills and capability in developing budgetary and business case submissions. • Implement recommended changes	• Dependent on option 12. Would be completed as raised by midterm review)	Within 2 years	Lead: OoW Support: all water sector agencies	Strategic financial planning for the sector is completed and recommendations implemented
Delivery of new policy areas and asset development					
Refresh of the ACT Water Strategy 2014-2044: Striking the Balance		• Parallel to option 2 (roles and responsibilities review) • Input to options 10, 14 and 15	1 year	Lead: OoW	Refreshed ACT Water Strategy endorsed Annual reporting
Develop a long-term Integrated Water Management Plan		• Dependent on Water Strategy refresh	2 years	Lead: OoW	Integrated Water Management Plan1
Develop Ngunnawal Ngadjung Water Initiative		• Parallel to option 2	1 year	Lead: OoW	Program plan established

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
Implement Ngunnawal Ngadjung Water Initiative		• After development	4 years	Lead: OoW	Program implemented
Scope and implement Water Information Hub (WIH)		• Dependent on options 10, 14 and 15 • Would be completed after mid-term review successful and budget bid	2 years	Lead: OoW	WIH scoped WIH budget submission approved WIH delivered / go live

4.4. High-level implementation schedule

A Gantt chart presenting high-level implementation dates for the reform agenda is in Figure 3. The OoW should update and develop the schedule into a detailed work program that will deliver the reform agenda and new policy initiatives.

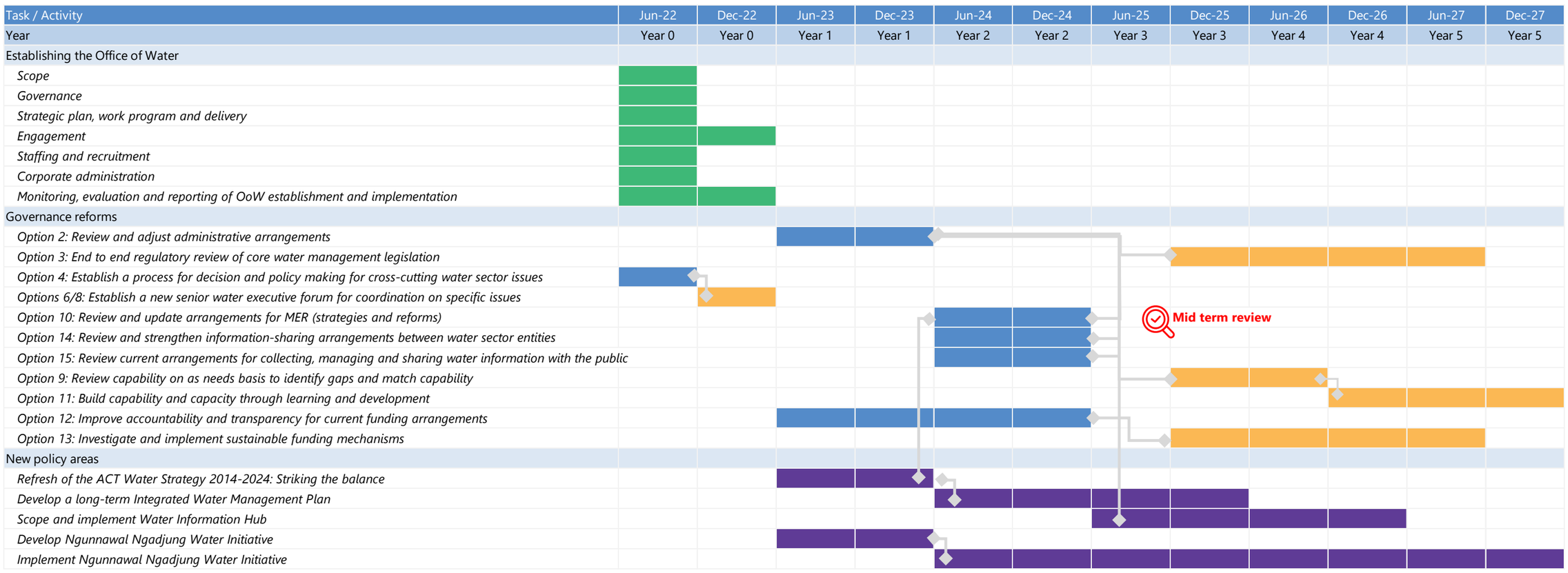


Figure 3 High-level implementation schedule

Appendix A - Assessment of reform options

Table 15 presents a summary of the assessment of each reform option against each of the assessment criteria set out in section 2.3. It also includes an evaluation outcome statement that summarises the overall assessment, based on a consideration of the criteria as a whole and Advisory Group feedback.

The reform options included in the table were presented to and discussed with the Advisory Group in workshop 4. The wording of each reform option reflects the agreed wording and scope of each option following workshop 4. The assessment outcomes included in the table reflect the workshop 4 outcomes, as discussed with the Advisory Group.

Table 15 Summary of assessment of reform options

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
1	Better specify existing roles and responsibilities (in current administrative arrangements) and strengthen accountabilities through agreements and performance measures	**Lower order priority, consider on an as needs basis.** May be of value if other higher-value options (i.e., option 2) are not implemented.	Partial improvements to roles, responsibilities, and accountabilities. Does not address duplicated or fragmented roles, responsibilities or accountabilities.	Improves sector performance to achieve vision and objectives.	Clarifies roles, responsibilities and accountabilities, but would not improve allocation and alignment.	Low costs, however, may not deliver the greatest benefits for the sector.	Straightforward implementation. Requires active participation and implementation by stakeholders.	Option may not go far enough to achieve required outcomes.	Redundant if option 2 or 3 selected. Foundational for achieving other options if options 2 or 3 are not selected.
2	Review and update administrative arrangements to better align with core water policy, planning, operational and regulatory functions	**Confirmed reform priority.** High value to the sector. The most effective response to cases of unclear and duplicative roles and responsibilities and fragmented accountability.	Addresses lack of clarity and duplication of roles. Allows for functional separation of roles and responsibilities and streamlining of accountability.	Improves sector performance to achieve vision and objectives. Strengthens accountability through streamlining.	Addresses the need for clearer roles, responsibilities and accountabilities, and improves coordination and decision making through improved arrangements.	Benefits in efficiency and achievement of outcomes would outweigh implementation costs.	Review requires extensive sector-wide engagement. May result in significant administrative changes.	Conditional support provided appropriate sector-wide engagement in the process.	Foundational for coordination and capability options. Duplicative of options 1 and 3 (contingent on scope).
3	End to end regulatory review of core water management legislation to ensure legislation is fit for purpose, and that roles, responsibilities and accountabilities (administrative arrangements) are aligned with and enabling to the objects of the legislation	**Secondary reform option.** Of value to the sector, however not as straightforward as other options.	Addresses lack of clarity and duplication of roles. Allows for functional separation of roles and responsibilities and streamlining of accountability.	Improves sector performance generally, however unlikely to provide significant uplift alone.	Clarifying roles, responsibilities and accountabilities is high priority. Legislative Review is not seen as critical to improving governance.	High transaction and disruption costs depending on scope of legislative and administrative changes. Benefits realisation through implementation may outweigh costs.	Review requires extensive sector-wide engagement. May result in significant legislative and administrative changes.	Support for changes to administrative arrangements. Legislative changes not seen as necessary at this time.	Foundational for coordination and capability options. Duplicative of options 1 and 2 (contingent on scope).
4	Establish an agreed process for handling cross cutting water sector issues, and escalating to senior decision makers those issues which require trade-offs to be considered	**Confirmed reform priority.** Of value to the sector. Able to be implemented efficiently.	Resolves lack of clarity on processes to progress and resolve water sector issues. Requires buy-in from relevant agencies, clear roles and responsibilities and effective interagency coordination.	With clear roles, responsibilities, accountability and effective coordination mechanisms between agencies, it would likely result in an uplift in achievement of outcomes.	Urgent, given current impasse on some cross cutting issues.	Benefits from progress on lagging policy gaps and areas is likely to outweigh implementation costs.	No major changes required but needs resourcing and strong support to be effective.	There is Advisory Group support for this option.	Depends on clear roles and responsibilities (options 1, 2, 3) Complementary to options 5 – 8.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
5	Reinvigorate the Directors' General Water Group (DGWG) or Senior Executive Water Group (SEWG) to support improved interagency coordination on water management	**Not to be progressed.** Option would improve interagency coordination; however other options are more likely to be effective in the longer-term. Can be implemented if issues emerge in the future.	Positive step towards improved coordination, however, may be hindered by lack of visibility and stagnation that resulted in meetings ending in 2018/19.	Together with clear roles, responsibilities and accountability, improving coordination between agencies would lead to uplift in achievement of outcomes.	Improving coordination between agencies is urgent and critical for water management in the ACT but this option might not address this issue.	Moderate costs. Desired benefits may not be realised.	Straightforward implementation.	There is Advisory Group support for a coordination forum if required in the future, however trepidation about reinvigorating these groups due to legacy issues.	Depends on clear roles and responsibilities (options 1, 2 3). Complementary to option 4. Likely to be mutually exclusive to 5.
6	Establish a new or alternative forum/s to drive inter-agency coordination	**Secondary reform option.** Of value to the sector, but not as high a priority compared to other governance issues. Could be progressed in the future.	Similar to option 5 but avoids potential legacy issues. Membership will need to be carefully considered to ensure representatives have both technical knowledge and appropriate delegation for decision making.	Together with clear roles, responsibilities and accountabilities, improving coordination between agencies would lead to uplift in achievement of outcomes.	Improving coordination is urgent as it is currently impeding the discussion and resolution of key items that will help the sector achieve desired outcomes.	Benefits of improved coordination likely outweigh implementation costs.	Similar to option 5 and could draw on existing structures to inform redesign.	There is Advisory Group support for a coordination forum if it is required in the future.	Depends on clear roles and responsibilities (options 1, 2 3). Complementary to option 4. Likely to be mutually exclusive to 5
7	Revise the remit of the ACT and region Catchment Management Coordination Group (CMCG) to provide a forum for progressing inter-jurisdictional coordination	**Not to be progressed.** This option would potentially deliver value to the sector but is not considered a priority relative to other options.	Interagency coordination and decision making require more urgent attention. The CMCG is not well suited to deal with broader regional and cross-boundary water management issues outside of its legislated remit.	As the CMCG is a catchment management group, the option would only be expected to address related outcomes.	Interjurisdictional level coordination is important but not considered as critical as other priorities for the sector.	Moderate costs (including legislative changes) but potential for benefits over time through improved regional decision making.	Requires legislative amendments and funding to support secretariat and work program delivery. May result in additional expenses if membership expanded.	While the CMCG has many major players for regional decision making it is not the right forum for ACT Government decision making.	Depends on clear roles and responsibilities (options 1, 2 3) Likely to be mutually exclusive to option 8.
8	Establish a new mechanism - with support from both ACT and NSW governments - to develop a clear work plan to progress inter-jurisdictional water management issues	**Secondary reform option.** Of value to the sector, but not as high a priority compared to other governance issues. Could be progressed in the future.	A new interagency forum could improve interjurisdictional coordination for water management issues but would need to be carefully considered so as to not duplicate (and hence diminish) existing forums.	Improved inter-jurisdictional coordination could support achievement of water strategy outcomes by enabling effective responses to shared cross border issues.	Interjurisdictional level coordination is important but not considered as critical as other priorities for the sector.	Moderate costs but potential for benefits over time through improved regional decision making.	Requires upfront resourcing to establish the new forum, and ongoing resourcing to support secretariat functions and progress the work program.	There is Advisory Group support for a coordination forum if it is required in the future.	Depends on clear roles and responsibilities (options 1, 2 3) Likely to be mutually exclusive to option 7.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
9	Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	**Secondary reform option.** A potentially valuable option, but it is a significant and disruptive exercise. Not a priority until other options are implemented.	Partially. May have limited effectiveness if not coupled with improved governance, roles and responsibilities.	If implemented well, the option would be a strong enabler of achieving the strategy outcomes, however, the potential for disruption could set achieving strategy and outcomes back.	Aside from well-known capability gaps this option is not critical. Other capability options, clarifying roles, responsibilities and coordination would make a greater contribution.	High costs. Unclear whether they would outweigh benefits.	Other options would be more practical to implement and at lower cost.	Capability generally identified as an issue. Support for sector wide review and response once appropriate overarching governance mechanisms are in place.	Should be completed after option 1. So as to not to duplicate scope of Review in option 2, this could be a complementary action once roles are clarified
10	Review and update arrangements for monitoring, evaluating, and reporting of the governance reform agenda and outcomes of water strategies	**Confirmed reform priority.** Important foundational activity for supporting performance of the OoW and the sector.	Assists in driving accountability, however, this would not be fully effective without appropriate oversight and performance incentives.	Provides greater accountability for achieving outcomes.	Monitoring, evaluation and reporting of the governance reform agenda will support the implementation and effectiveness of other options outlined in this report.	The review could be completed at relatively low cost. The likely benefits in terms of accountability would outweigh any additional administrative costs.	Simple to implement, however, requires adequate resourcing and attention to be useful.	Broad support for streamlining reporting arrangements.	Depends on clear roles and responsibilities (options 1, 2, 3). Information sharing arrangements (options 14, 15, 16).
11	Build capability and capacity through learning and development	**Secondary reform option.** Low cost, practical and complimentary to other options. However, there are more critical governance issues that need to be resolved first.	Can be used to target specific capability gaps, but unlikely to be effective alone. Only effective to the extent it is well targeted to specific or core gaps and supported by agencies.	Helpful to deliver specific outcomes and actions within the ACT Water Strategy but would need to be targeted to priority areas to do so.	Not critical compared to other options.	The relative costs are likely to be lower than the benefits of improved learning and development in targeted areas.	Does not require significant administrative, legislation, resourcing changes.	There is Advisory Group support for this, however it is not seen as fundamental for an OoW.	Understanding of capability gaps (i.e., identified via option 4, or parts of options 2 and 3)
12	Improve accountability and transparency for current funding arrangements and demonstrate the contribution of funds to the ACT wellbeing assessment framework	**Confirmed reform priority.** This option is critical for making improved decisions about the allocation of financial resources.	Tracking the use of financial resources against objectives is critical for funding allocation and prioritisation decisions. It contributes to a better understanding of resource use and funding gaps.	Adds to improved accountability. Contributes to achievement of outcomes through resulting clarity of funding required to achieve outcomes.	This is a critical activity, as without comprehensive understanding of how funding is allocated and spent, it is difficult to understand the relative gaps.	Benefits of increased accountability and transparency would outweigh initial and ongoing implementation costs.	Would result in changes to monitoring and reporting arrangements, and possibly financial systems.	Likely in-principle support, provided no additional regulatory burden is created and information is useful and used.	Foundational for option 13. Requires clarity of roles and responsibilities (options 1, 2 and 3).

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Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
13	Investigate and implement sustainable funding mechanisms.	**Secondary reform option.** Unsustainable funding constrains the achievement of water sector outcomes, however, there are limited options to increase funding in a competitive environment. This would help identify appropriate funding mechanisms to address this issue.	Increasing funding efficiency will address capability and capacity issues. However, competition for funding means that it is unlikely to provide significant uplift, without improvements to roles, responsibilities and coordination.	Contributes to achievement of outcomes through better use and alignment of funding to achieve desired outcomes.	This is a critical issue in some parts of the sector that are under-funded and under-investing in achieving desired outcomes.	Potentially significantly costs. Any potential mechanisms should clearly demonstrate value for money.	Practicality of options is dependent on preferred approach for funding.	Lack of available funding is acknowledged as an inhibitor to capability and capacity.	Builds on option 12. Dependent on clear roles and responsibilities (options 1, 2, 3).
14	Review and strengthen information sharing arrangements between water sector entities	**Confirmed reform priority.** Low cost and foundational for improving information sharing and supporting improved capability cross the sector.	Supports improved information sharing and builds sector capability. Will not solve issues relating to inefficiency or duplication alone.	Supports information sharing which is a capability enabler for achieving outcomes.	Less critical than establishing clear roles and responsibilities but is considered a foundational activity.	Low cost. Benefits likely to exceed the costs of strengthening data sharing arrangements.	Would not require any significant changes.	There is Advisory Group support for this option.	Dependent on clear roles and responsibilities (options 1, 2, 3) Enabling for options 15 and 16.
15	Review current arrangements for collecting, managing and sharing water information to understand what information is collected and the best way to provide it to agencies and the public.	**Secondary reform option.** Of value to the sector to understand information gaps and enable future information sharing functions.	Addresses the lack of publicly available and transparent information on water management. Contributes to management of organisational knowledge.	Aligned with the ACT Water Strategy in supporting improved public knowledge of ACT water management and promoting understanding and enhanced involvement.	There are other more critical actions.	Benefits from improved transparency and awareness of water management in the ACT would likely outweigh the costs.	Straightforward in principle, however, requires ongoing resourcing to ensure information is accessible, up to date, and useful.	There is Advisory Group support for this option, it is seen as an ideal function for the OoW.	Clear roles and responsibilities (options 1, 2 or 3) Depends on Option 14. Could be done in parallel with option 16.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
16	Develop a harmonised and integrated water information system for sharing water information between agencies and with the public	**Lower order priority, consider on an as needs basis.** Of value to the sector. It could be implemented once more urgent foundational options are taken forward and preliminary work on options 14 and 15 are completed).	Option would improve transparency, reduce duplication, improve consistency, and make water information more accessible for decision making. This would also contribute to improved efficiency.	The option is aligned with the ACT Water Strategy as it enables more efficient / effective achievement of outcomes.	Not urgent.	High initial and ongoing implementation costs. Benefits from improved transparency, reduced reporting duplication and improved accessibility for decision makers.	Requires changes to monitoring and information systems, funding, and stakeholder engagement.	Strong Advisory Group support for this option due to benefits from improved accessibility to information and reduced duplication of reporting.	Depends on clear roles and responsibilities (options 1, 2 3) Should align with option 10.

Appendix B - Governance reform scopes

Appendix B presents the governance reform scopes as set out in Table 1, Table 2 and Table 14. The solution scopes were presented to and discussed with the Advisory Group in workshop 4.

Option 2: Review and update administrative arrangements to better align with core water policy, planning, operational and regulatory functions

Purpose

To clarify and set more effective roles, responsibilities, and accountabilities for key water sector functions by reviewing and adjusting administrative arrangements and establishing clearer assignment of roles and functions between agencies.

Scope of work

This scope of work would cover the following steps:

- Review of current administrative arrangements and documentation of current roles and functions at the agency level for all agencies with water-sector responsibilities, with the following terms of reference:
  - set clearly allocated and distinguished roles, responsibilities and accountability for core water policy and direction setting, planning, service delivery and regulatory functions across the ACT water sector. This would include achieving greater structural separation where relevant (consistent with NWI 2004 and COAG 1994).
  - recommend any required structural changes or adjustments in response to proposed revised administrative arrangements
  - clarify Ministerial portfolios and agency accountability, authority and decision-making, and how these align with the legislative framework
  - identify any key capability or capacity gaps that would need to be addressed if recommended improvements to administrative arrangements were adopted.
- Cabinet considers review recommendations and endorses (at its discretion) revised administrative arrangements and supporting actions.
- Sector works to realign under clearer and more tailored administrative arrangements that support a functional separation of roles, responsibilities and accountability across relevant agencies.

This scope of work could be assisted by an interagency coordination forum and would benefit from a neutral lead reviewer that can engage with all relevant agencies.

Change required to deliver option

This option would propose changes to administrative arrangements and would therefore require engagement with relevant Ministers, portfolios and a Cabinet decision making process. It does not include scope for legislative amendments; however, the process may uncover the scope of or value in undertaking a more holistic review of the legislative framework for the water sector in the future.

Indicative resourcing and costs

This is a medium cost solution that would require resourcing to lead the review, time from relevant agencies to provide input, as well as input and support at the Ministerial level. It may also require resourcing for external specialist advice. It will therefore require a reasonable level of resourcing, as well as reasonable timeframes to deliver (as getting inputs, decisions and sign-off will take time).

Interdependencies and sequencing with other options

This is option duplicates part of the scope of Option 1 but could theoretically be undertaken in addition to Option 1. It would benefit from being delivered ahead of other options as it will have significant flow on effects to other governance improvements.

Timeframe

The review and decision-making process should occur within 6 months. Implementation should occur within 3 months.

Option 3: End to end regulatory review of core water management legislation

Purpose

To understand whether current legislation and practice are achieving their purpose or achieving them in the most effective manner and recommend improvements that support effective governance arrangements for the sector.

Scope of work

This scope of work involves a review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance. This review would consider the requirement for legislative amendments. The terms of reference would consider the how the relevant statutes, delegated legislation and practice support effective governance.

The review could be undertaken following the implementation of the roles and responsibilities review (option 2). The need for the review would be reconsidered as part of the mid-term review for the OoW.

Change required to deliver option

This option would include similar changes as option 2. However, given the potential for legislative amendments to be made, the standard ACT legislative process would also apply.

Indicative resourcing and costs

This is a medium cost solution that would require resourcing to lead review, time from relevant agencies to provide input, as well as input and support at the Ministerial level. It would also require specialist legal and regulatory advice. Resourcing would be higher than option 2.

Interdependencies and sequencing with other options

This is option duplicates part of the scope of options 1 and 2. The legislative review component could also be undertaken as a standalone initiative in 3-5 years' time once other governance reforms have

been implemented, or if there is evidence that the system is still not working and requires holistic consideration of the legislative framework.

Timeframe

Within 2 years.

Option 4: Establish an agreed process for handling cross cutting water sector issues and escalating and considering trade-offs

Purpose

To establish an agreed process between relevant water sector entities for progressing and resolving water sector issues.

Scope of work

This scope of work would cover the following steps:

- Identify and agree criteria for how agencies should work together to progress and resolve policy and decision making, include complex cross-cutting issues. These criteria could be based on the degree of shared responsibility and risk, and the resultant requirements for increasing collaboration between agencies. For example, the criteria could specify at what point in a policy or decision-making process an agency should:
  - Inform other agencies of decisions and policy that has been made. This could be when decisions or policy are within the remit of a single agency.
  - Consult with other agencies on decision and policy making. This could occur where decisions or policy are within the remit of a single agency, but will have a minor effect on other agencies, or where the input from other agencies may influence the decisions or policy.
  - Collaborate with other agencies on decision and policy making. Collaboration could be needed on issues where joint decisions need to be made, or where the outcome of a decision would create risks for or have a material effect on the work of another agency, or where an issue requires shared responsibility in the future.
- The above criteria should also specify a structure of how coordinating groups and senior executive forums work together to progress and escalate issues. For example, a senior executive forum could be the main group for progressing issues that require collaboration, with the option to escalate issues that cannot be resolved through this forum to Directors-General, and ultimately to Cabinet.
- Identify and agree which water sector issues and work programs align with each of the above criteria.
- Develop documentation of the agreed criteria and process, and the aligned water sector issues and work programs. This should include practical protocol documentation that can be used to support leadership groups and coordination forums understand their roles and responsibilities in relation to this process. Protocol documentation could also be included in the Terms of Reference for all relevant leadership groups or coordination forums.
- The process should be periodically reviewed to ensure that it functions as intended. This could occur after it has been used for the first few times, or on a set time-step (e.g., annually or biennially).

Change required to deliver option

This option would require the development of a cross-agency process for progressing and resolving policy and decision making, the development of documentation to support this process, and ongoing implementation of the process via leadership groups and interagency coordination forums.

When implementing this option, it will be critical that any associated leadership groups or coordination forums have well-functioning secretariat support, as the process developed through this option will need to be implemented in part through secretariat support (i.e., gatekeeping whether issues are relevant for each group as per the agreed process and ensuring decisions from groups and forums are communicated back to relevant staff).

It will be critical when escalating issues via leadership groups and coordination forums that all decision makers are well informed and briefed. Where desirable, joint technical briefings should be given to all group members to ensure all decision makers have a similar understanding of the issues they are being asked to resolve. Similarly, meetings should be designed for decisions to be collectively resolved.

Indicative resourcing and costs

Implementation of this option is seen as medium cost, as it would require meetings and support to develop, agree and document the inter-agency process. In the longer-term it will also need to be reviewed to ensure it is functioning as intended.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities first being established across all areas of the water sector. Implementation of this option is complementary to options 6/8 and could occur before or in parallel.

Timeframe

Within six months.

Options 6 and 8: Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination

Purpose

To establish a forum, with membership from all relevant water entities, and representatives with appropriate technical knowledge and authority to coordinate sustainable and integrated management of water resources in the ACT and region.

Scope of work

This scope of work would cover the following steps:

- Identify key cross-agency and cross-sector issues to be progressed through the selected group
- Determine membership of the new forum, that includes members from all relevant water entities, and define member roles and responsibilities. This should include representatives from all ACT Government directorates and teams with responsibilities for water policy, planning and management, including Icon Water. It could include representatives or observers from the National

Capital Authority, the Independent Competition and Regulatory Commission and key stakeholder groups, where appropriate.

- Set out a work program to progress the identified issues over time
- clarify expectations for:
  - meetings, attendance and authority, so that agency representatives (or delegates) have appropriate context and authority to make decisions
  - meeting tempo and schedule so that issues can be progressed with appropriate input at key decision points
  - reporting and minutes
  - review of the group's effectiveness, so that it remains fit for purpose over time.
- Document Terms of Reference for the forum
- Establish a secretariat to support the work of the forum, coordinate and prepare papers, record minutes and coordinate the forum work program.

Depending on the preferred model for an OoW, the Chair and secretariat could be performed by the OoW.

Change required to deliver option

A new committee structure and secretariat function to support the committee would need to be developed to implement this option.

Indicative resourcing and costs

Secretariat functions, including meeting organisation, coordination of papers and information sharing, and record keeping for the group should be appropriately resourced. If there is not the necessary expertise within the proponent agency, then relevant agencies could nominate staff with relevant expertise to work in secretariat (on secondment or permanently transferred). If these functions are not already in place and resourced on an ongoing basis, selection of this option may result in moderate additional costs.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector. It is complementary to and should occur in parallel, or immediately following Option 4.

Timeframe

Within six months.

Option 9: Review capability to identify gaps and match capability to core water management roles and responsibilities

Purpose

To further identify the level of capability (i.e.: the *quality* of resources, human and otherwise) required to implement water resources management in the ACT and address any gaps by matching appropriate

resources with those roles and responsibilities. This would respond to reported capability issues for core water management roles and responsibilities that lead to sub-optimal outcomes.

Scope of work

This scope of work would cover the following steps:

- Undertake an independent assessment of the ACT water sector's organisational capability (including skills, leadership, culture, systems and processes) to deliver core roles and responsibilities. The review would identify capability gaps and actions required to achieve desired performance in the following priority areas:
  - hydrologic modelling (quality and quantity)
  - water resource planning
  - flood risk management (for integrated land use planning, development control, land management)
  - water sensitive urban design (for assessing application designs and policy improvement)
  - monitoring, evaluation and reporting
  - Aboriginal (Ngunnawal) knowledge.
- Implement required measures to address any identified capability gaps or opportunities. This could include filling or uplifting human resources (skills), or changes to structures, systems, processes, or cultural settings that enable capability to be directed towards achieving organisational objectives.

Change required to deliver option

Implementing this option would include an independent sector-wide organisational capability review. This option would be undertaken separate to any administrative changes and would not require legislative change. Addressing any recommendations from the review would require an organisational change process to implement recommendations, for example creating additional roles or transfer of existing capability to match requirements, or changes, to structures, processes, systems or culture.

Indicative resourcing and costs

Costs associated with independent organisational review and implementing any changes (i.e., funding new roles, changes to systems, processes and associated change management).

Interdependencies and sequencing with other options

Capability review requires clarity of roles and responsibilities, so should be completed after any changes to administrative arrangements resulting from option 2.

This option duplicates the capability review part of the scope of options 2. If the full scope of option 2 was completed, it could be completed with a view to immediate uplift in the areas already identified above. In that case, this review would only be necessary as a potential longer-term option if extensive capability gaps persist.

The success of capability review would depend on the availability of organisational performance information and data. If this is not available, sequencing could be delayed until a program to collect this performance data is in force. In this case, a targeted review of the identified areas (and any others) could still be done in the short term to fill any immediate gaps.

Timeframe

Scope and commence within 1 year.

Option 10: Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies

Purpose

This reform streamlines current agency and entity reporting processes, and provides a consolidated monitoring, evaluating and reporting framework to assess the implementation of water plans, policies and strategies.

Scope of work

This scope of work would cover the following steps:

- Define a terms of reference, including:
  - the purpose of the review, being to improve coverage of agency performance data by:
    - identifying monitoring, evaluation and reporting requirements for understanding performance of agencies
    - identify gaps and opportunities for consolidating and streamlining
    - establish a consolidated MER framework for measuring agency performance.
  - the scope (roles, responsibilities and activities)
  - the agencies to be included in the review, based on final allocation of roles and responsibilities
  - outputs and timing.
- Initiate the review with the final terms of reference
- Implement the integrated framework.

Change required to deliver option

The option could be delivered by an internal government team, or independent external entity. Implementing the outputs of this option would result in changes to monitoring, evaluation and reporting requirements, including streamlining or additional requirements where there are information deficits.

Indicative resourcing and costs

Resourcing would be required for initial review and framework development. Ongoing costs would include for monitoring, evaluation and reporting against framework.

Interdependencies and sequencing with other options

The option has interdependencies with:

- Roles and responsibilities for core water management functions as clarified or updated through option.

- Refresh of the ACT Water Strategy and Implementation Plan, which would assign actions that agencies are responsible for.

Timeframe

Within 1 year.

Option 11: Build capability through learning and development

Purpose

Targeted activities to address gaps can be identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.

Scope of work

This scope of work would cover the following steps:

- Based on capability gaps, establish or make use of existing mechanisms to build capability and knowledge of staff, such as:
  - Peer-to-peer networks, communities of practice or linkages between agencies (including relevant interjurisdictional agencies for niche technical skills such as hydrologic modelling or demand planning)
  - Formal learning and development opportunities, including for technical, project management, leadership capability (including in relation to coordination forums)
  - Succession planning for key technical and leadership roles, given the relatively small scale of the sector critical knowledge can reside with just a few individuals.

Change required to deliver option

Changes would be minor and can be implemented regardless of the overarching governance arrangements for the sector.

Indicative resourcing and costs

Indicative resourcing and costs for this option would be low and corresponding to incremental staff participation costs for establishing any of the mechanisms.

Interdependencies and sequencing with other options

Requires understanding of capability gaps and priorities.

Timeframe

One to two years and ongoing.

Option 12: Improve accountability and transparency for current funding arrangements

Purpose

To improve accountability and transparency of funding available for water management under the existing quantum of available funding. This will contribute to improved understanding of what activities and outcomes funding is being used for, and the adequacy and efficiency of funding.

Scope of work

This scope of work does not increase the level of funding available for water management in the ACT. Instead, accountability and transparency for the use of existing funding streams would be enhanced. This would require:

- mapping of existing funding streams and allocations to agencies and outcomes
- defining monitoring and reporting requirements for activities-based tracking of funding
- implementing systems and processes to capture and manage this information
- governance and use of the information by a central entity to understand system wide use of funding.

Change required to deliver option

Implementing the option would likely require changes to monitoring and reporting requirements, and possibly changes to financial systems to capture and report on this information with the required granularity. No changes to funding, legislation or administrative arrangements.

Indicative resourcing and costs

Resourcing and costs would include for mapping funding streams to activities and specifying monitoring and reporting requirements, as well as ongoing implementation to collect and report this information.

Interdependencies and sequencing with other options

Requires clarity of roles and responsibilities,

Timeframe

Within 2 years.

Option 13: Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)

Purpose

This option would seek to investigate and implement sustainable funding mechanisms, to address current gaps in funding and a lack of funding certainty for policies, programs and services. This could include options to:

- increase funding

- improve competitiveness for funding
- identify alternative funding sources
- be more efficient with existing funding.

Scope of work

This scope of work could cover the following steps:

- Review current programs, funding and performance in these areas and understand the short-, medium- and long-term investment needs for the sector.
- Review public funding mechanisms available to the ACT water sector, identify potential alternative funding arrangements and consider optimising the allocation of existing funding sources to address gaps.
- Assist relevant agencies to improve skills and capability in developing budgetary and business case submissions.

Change required to deliver option

- Resourcing for review of current programs and funding requirements and available funding mechanisms
- The extent of additional changes would depend on the gaps and the desired (and suitability of) funding mechanisms to address the gap. For example, different solutions may require:
  - Changes to resourcing levels (if increasing funding)
  - Administrative or legislative changes (e.g., establishing new user charge or levy)
  - Establishing and resourcing support programs (to enable better business case development).

Indicative resourcing and costs

This is a high-cost option, as it will require a high level of resourcing to undertake the recommended reviews, and work to assist agencies to improve skills and capability in developing budgetary and business case submissions.

Interdependencies and sequencing with other options

This activity would follow option 12. Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2.

Timeframe

Within 2 years, with ongoing implementation.

Option 14: Review and strengthen information sharing arrangements between water sector entities

Purpose

To review and strengthen information sharing arrangements between water sector entities to improve access to information, ensure the retention of organisational knowledge in the longer-term, and support staff to deliver against their roles and responsibilities.

Scope of work

This scope of work would cover the following steps:

- Reviewing current information sharing arrangements between ACT and region water sector entities.
- Consulting with relevant entities on gaps in information sharing, and the type, format and frequency of information that is required to support implementation of their work.
- Recommendations from this review will identify improvements in processes and procedures for information sharing and inform the scoping of a water information platform.
- After implementation of the revised arrangements, ensuring that the arrangements are periodically reviewed to ensure they continue to meet water entities needs over time. This could occur every few years (e.g., biennially, or five-yearly).

Change required to deliver option

This option would require a review of current information sharing arrangements, gaps in information sharing, and water entities needs for information to support implementation of their work. The arrangements should be periodically reviewed to ensure they continue to meet water entities' needs over time.

Indicative resourcing and costs

This is considered a low-cost option. Resourcing would be required for the review of current arrangements and development of new arrangements. Implementation of arrangements would occur as a part of BAU, with the option for a review in the longer-term.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2. Implementation of this option could occur in parallel to Option 15 and would inform scoping and development for a water information hub.

Timeframe

Within one year.

Option 15: Review and strengthen current arrangements for managing and sharing information transparently with the public

Purpose

To review and strengthen current arrangements for managing and sharing information with the public, to address the lack of publicly available and transparent information on water management. Implementation of this option with also contribute to the management of organisational knowledge in the water sector.

Scope of work

This scope of work would cover the following steps:

- Review current practice and arrangements for managing and sharing water management information with the public, across all ACT Government directorates and teams with responsibility for water policy, management and planning. This should consider the extent to which current practice and arrangements enable or meet ACT Government commitments for transparent release of information and data to the public (for example, the Proactive Release of Data (Open Data) Policy 2015, or any water-specific commitments)
- Consult with stakeholders to determine what information relevant stakeholders and the general public would like to access in relation to water policy, management and planning.
- Develop sector-wide arrangements for how and what information is managed and shared with the public. This step may include a second round of stakeholder consultation on the draft arrangements if seen as beneficial to the process.
- Following implementation of the revised arrangements, ensure that the arrangements are periodically reviewed to ensure they continue to meet stakeholder needs over time. This could occur every few years (e.g., biennially, or five-yearly).

Change required to deliver option

This option would require a review of current information management and sharing arrangements, stakeholder consultation, development of revised arrangements and potential subsequent stakeholder engagement prior to the finalised of arrangements. The arrangements should be periodically reviewed to ensure they continue to meet stakeholder needs.

Indicative resourcing and costs

This is considered a medium-cost option, as it would require some stakeholder consultation and resourcing to develop the information management and sharing arrangements.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2. Implementation of this option could occur in parallel to Option 14 and would inform scoping and development for a water information hub.

Timeframe

Within one year.

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ATTACHMENT E – MAP OF ROLES AND RESPONSIBILITES IN ACT WATER SECTOR

Chief Minister^ | Minister for Business and Better Regulation | Minister for Water, Energy and Emissions Reduction* | Minister for the Environment | Minister for Planning and Emergency Services | Minister for Transport and City Services | Minister for Health

CMTEDD

National Capital Authority
- **Lake Burley Griffin water quality and waterway health**
- Cross-border catchment management issues

ICRC
- **Economic regulation – water pricing determination role**
- **Utility licence (Icon Water)**
- Examines investment decision-making for major supply augmentation decisions, and the cost and viability of non-drinking water in the ACT

Chief Minister
- Regional cross-border water supply and development issues
- Regional MOU Growth Strategy

Treasury
- Economic regulation of water including water pricing
- Oversight of water fees and charges
- Sets water abstraction charge levee and manages WAC revenue
- Reviews of non-drinking water pricing

Access Canberra

EPA
- **Statutory decision maker WR Act 2007, EP Act 1997**
- Water security and quality strategy improvements
- **Water allocation**
- **Water supply licences**
- **Environmental water releases (Basin Plan)**
- **Surface and groundwater resource compliance matters**
- **Administering EPA regulations (environment, water quality and waterway health)**
- Long-term water resource planning
- Urban water service planning
- Dam safety
- Sewer Authorisations
- Collects fees and charges
- Monitoring and reporting on regulatory activities

Utility Technical Regulator
- **Regulates non-drinking water supply, dam safety, water supply and sewerage services and networks**

EPSDD

Water Policy
- Strategy and planning for water quality
- ACT Water Strategy
- MDB Agreement, Basin Plan, NWI commitments
- Supports policy development WSUD
- Water efficiency policy
- Long-term water resource planning
- Secretariat (**ACT & Region Catchment Management Group**, DGWG, SEWG)
- Permanent WCM / Temporary WRR

Resilient Landscapes
- ACT Healthy Waterways
- Water science, monitoring and modelling
- Waterwatch
- Community education
- Water efficiency - implementation
- delivery of catchment management actions

Statutory Planning
- **Development assessment and approvals (drainage works, plumbing code, certifiers)**
- Assessment of WSUD requirements
- Leasehold system administration

Conservation Research – Aquatic & Riparian
- Fish monitoring, aquatic biosecurity
- Aquatic and Riparian Conservation Strategy

Conservator of Flora & Fauna
- **Protecting drinking water catchments**
- **Impact assessment - waterways**
- **Threatened aquatic species**

Environment Protection Policy
- Developing EPA legislation and policies, Environment Protection Act 1997 and Environment Protection Regulation 2005

Parks and Conservation Service
- **Catchment land management incl. fire**
- **ACT management of Googong Reserve within NSW**

JCS

ACT ESA
- Strategic Flood Risk Management Plan
- Emergency management response for flooding

TCCS

Stormwater
- Provides practical understanding of stormwater assets ownership to policy and standards
- Asset ownership perspective on performance of catchment management initiatives
- Own, manage, maintain and monitor stormwater system and assets
- Inner North Reticulation Network
- Water quality services (dredging, street sweeping, GPT material collection)
- Urban water service planning
- Stormwater MISO8

Dam Safety
- Provides practical understanding of dams asset ownership to policy and standards
- Asset ownership perspective on catchment management initiatives
- Delivery of hydrometric services
- Manage, maintain and monitor assets for water quality, flood

Note: Canberra Lakes and Ponds Plan of Management managed by TCCS City Services

ACT Health
- **Drinking water licencing authority**
- **Regulates drinking water quality**
- Monitors water quality (recreational water sites)

Bullet points in **bold** depict where a directorate/agency has a legislatively assigned responsibility

* Icon Water Shareholder & MDB Minco representative

^Icon Water Shareholder & Climate Action

Stormwater and floods

Drinking water

Regional water management

Wastewater

Policy and direction setting
Resource management
Service delivery
Regulation

Icon Water

- Water security and quality strategy improvements
- Catchment manager planning activities
- Support for water trading, environmental flows, water efficiency
- Long-term water resource planning
- **Major supply augmentation and wastewater infrastructure decisions**
- Cross-border catchment management issues
- **Own, operate, maintain drinking water supply**
- **Own, operate, maintain wastewater system**
- **Bulk water for Canberra and Queanbeyan**
- Water pricing (proposals)
- Long term infrastructure planning
- **Permanent WCM / Temporary WRR**
- Drought management
- Collects charges
- Reporting against standards and guidelines

2022-23 Budget – Business Case - Summary

Proposal Name: Establishing a holistic and coordinated approach to water management in the ACT - Office of Water

Lead Minister: Rattenbury

Supporting Ministers (and related Portfolio/s): NA

Brief Description: The proposal would fund establishment of a new Office of Water to implement governance reforms and deliver key water policy initiatives and water management improvements.

Additional Information

In response to the *Parliamentary and Governing Agreement for the 10th Legislative Assembly*, Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT during 2021-22 (the Review). The Review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions. Chronic governance issues were identified by an inter-agency Advisory Group (see Attachment F3) that relate to poorly defined roles and responsibilities across government agencies, inadequate capability and capacity (skills, funding, and information) and poor inter-agency coordination and decision-making on cross-sectoral issues. The proposed Office of Water and associated package of priority reform activities will be considered by Cabinet on 13 July 2022 (22/159).

Impact

The preferred model for delivering ACT water governance reforms is to establish an Office of Water to lead the implementation of all priority (foundational) governance reforms. This model would adopt all water policy and planning functions from EPSDD plus relevant functions from other agencies, subject to review and further consultation with the sector.

The core aim of an Office of Water is to enable ACT Government agencies that are working on elements of water management and policy to more holistically:

- clarify (or reset) the vision, objectives and goals for the sector;
- tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach;
- investigate and resolve deeper issues of governance and structure; and
- communicate with the public on ACT water resource management issues.

The Office would deliver the following new initiatives: Ngunnawal Ngadjung Water Initiative, Water Information Hub, Integrated Water Management Plan for long-term water security and climate adaptation, and revised ACT Water Strategy.

Resourcing

The proposal is for the Office of Water to operate for four years from July 2022 until June 2026. Funding for future years may be sought through a second budget bid in 2026.

Impacts	2022-23	2023-24	2024-25	2025-26	Total
Total $	2,309	3,283	3,400	3,316	**12,308**
Offset $	-928	-1,727	-1,754	-1,780	**-6,189**
Net financial impact	1,381	1,556	1,646	1,536	**6,119**
Net FTE	5	5	5	5	

2022-23 Budget – Business Case

Proposal Name: Building a water secure city - Office of Water

Brief Description: The proposal would fund establishment of a new Office of Water to implement governance reforms and deliver key policy initiatives in the water sector.

Lead Minister: Rattenbury

Portfolio: Water, Energy and Emissions Reduction

Supporting Ministers (and related Portfolio/s): N/A

Minister's recommendation:

This business case seeks funding for the program/s listed below:

a. Establishment of the Office of Water

This business case forms a multi-stage proposal and, if agreed, the following component may come forward as business cases in future budgets:

a. Ongoing funding for the Office of Water from 2027 onward, pending outcomes of a mid-term review of the Office in 2025.

This business case does not have any revenue implications.

Lead Agency: Environment, Planning and Sustainable Development Directorate

Supporting Agencies: Not a cross-agency proposal however there are cross-agency relationships and implications (see Section 6).

Electorate: All

Alignment with the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028?:

✓ Yes ☐ No

Alignment with the ACT Women's Plan 2016-26?:

☐ Yes ✓ No

Wellbeing domain 1: Environment and climate

Priority Target Group(s): The proposal will impact all ACT residents.

☐ Older Canberrans	☐ Women	☐ LGBTIQA+	☐ Carers
☐ Culturally and linguistically diverse people	☐ Children and Young people	☐ Aboriginal and Torres Strait Islander Peoples	☐ People with disability

Funding Category: New

Existing Program(s): N/A

Year to cease funding or ongoing: The proposal is for the Office of Water to operate for four years from July 2022 until June 2026. Funding for future years may be sought through a second budget bid in 2026.

Link to Budget consultation: No budget consultation has occurred.

Attachments:

F2	Timeline for implementation – Office of Water
F3	Summary of governance issues and reform agenda
F4	Investment Logic Map and early evaluation framework
F5	Detailed costings
C (refer Cab Sub)	Wellbeing Impact Assessment
E (refer Cab Sub)	Map of current ACT water governance arrangements

Financial impacts summary

Financial Impacts Summary (Preferred Option)	**2022-23 $'000**	**2023-24 $'000**	**2024-25 $'000**	**2025-26 $'000**	**Total $'000**
Capital Impacts					
Capital injection	-	-	-	-	**-**
Capital inflows	-	-	-	-	**-**
Capital offset – Existing provision[(a)]	-	-	-	-	**-**
Expense Impacts					
Expenses (staff and supplier)	2,309	3,283	3,400	3,316	**12,308**
Expenses – Offsets[(b)]	-928	-1,727	1,754	1,780	**-6,189**
Expenses – Offsets – existing provision[(a)]	-	-	-	-	**-**
Depreciation	-	-	-	-	**-**
Revenue[(c)]	-	-	-	-	**-**
Commonwealth contribution					
Savings	-	-	-	-	**-**
Staffing Impact	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Total FTEs (number)	9	13	13	13	
FTE offset	4	8	8	8	
Total additional FTE (number)	5	5	5	5	

Breakdown of Capital ($000)	2022-23	2023-24	2024-25	2025-26	Total
					Nil
Breakdown of Expenses ($000)	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
Employee Expenses	**1,521**	**2,183**	**2,225**	**2,266**	**8,195**
Existing supplier budget – Water policy	150	300	300	300	1,050
Consultants, Contractors and Professional services[#]	625	675	750	725	2,775
Staff development and recruitment	13	25	25	25	88
Communication and computer expenses	0	100	100	0	300
TOTAL EXPENSES	2,309	3,283	3,400	3,316	12,308
Offset – existing staff and expenses	-928	-1,727	-1,754	-1,780	-6,189
NET EXPENSE IMPACT	1,381	1,556	1,646	1,536	6,119
Total additional FTEs (number)	***5***	***5***	***5***	***5***	

[#] Costs are associated with consultancy, contractor and community engagement expenses to deliver on the new initiatives and governance reform package listed in section 3. Specifically, development of a web-based water information platform, generating new hydrological information to support climate change adaptation and integrated water planning, improved evaluation and reporting of policy and program delivery, engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (including defining cultural flows, building community capability, and securing water entitlements and developing a business framework for economic development).

The costs provided above represent new funding.

In addition to the new FTE included in this business case, it is assumed that some existing resources attached to FTEs would need to be transferred from within EPSDD and other agencies. Further information on this is provided at Section 3 - Proposed Solution.

Part A – The Business case

1. Problem statement

Scientific monitoring of catchment condition and water quality, and reviews of policy and policy implementation highlight significant issues resulting from the current governance arrangements. Critical governance gaps have been identified that lead to multiple unmitigated strategic risks. Resolving these risks requires a package of reforms that must be delivered with the appropriate level of authorisation and capacity to perform.

Climate adaptation risk assessment conducted by the ACT Office of Climate Action identifies drought and drinking water supply as a high strategic risk for the ACT; the risk assessment report is scheduled to be presented to Cabinet on 19 May 2022. Icon Water (2021, *Report on the Survey of the ACT Drinking Water Catchment 2019-21*) presents analysis of the change in inflows into the ACT 's water storages over the last 20 years. This analysis indicates that climate impacts on our water resources are occurring now, decades earlier and more pronounced than in the climate modelling used for the adaptation risk assessment. In addition to the reduction in water availability, the resultant effect of

the changing climate is also evident in the declining water quality, increased temperatures and more frequent extreme weather events.

The Catchment Health Indicator Program (CHIP) collects data across the upper Murrumbidgee catchment. Over the period 2019-2020, approximately 59% of reaches across the upper Murrumbidgee catchment fell into the fair or poor range. For the 15 reaches of Ginninderra Creek catchment, where over 42% of ACT residents live, only one reach was classified in 'good' condition, with the remaining classified as fair (12) and poor (2). (CHIP reports 2019-2020)

The Office of the Commissioner for Sustainability and the Environment (OCSE) is concluding a review into the effectiveness of the ACT Government's management of Canberra's urban lakes and waterways. The final report is scheduled to be presented to the Assembly on 6 June 2022, however, early findings highlight a number of systemic problems impacting ACT waterways and resulting in high turbidity, algal blooms, untreated stormwater impacts, and poor policy implementation (e.g., water sensitive urban design) (Alluvium 2021, *ACT Waterways Policy Review*). The review points to a lack of clear governance to guide strategic decision making to protect and improve the health of urban lakes and waterways.

Current water management arrangements

In response to the *Parliamentary and Governing Agreement for the 10th Legislative Assembly*, EPSDD led a review into water governance in the ACT during 2021-22 (the Review). The Review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions. Chronic governance issues were identified by an Advisory Group made up of ACT Government agency and Icon water representatives (see Attachment F3) that relate to poorly defined roles and responsibilities across government agencies, inadequate capability and capacity (skills, funding, and information) and poor inter-agency coordination and decision-making on cross-sectoral issues.

A map of current roles and responsibilities was developed as part of the review (Attachment E). The mapping reflects dispersed and/or overlapping governance arrangements, strategic policy gaps and unagreed stakeholder perspectives on current roles and responsibilities.

Uncertainty over ownership of cross-sectoral issues has contributed to poor collaboration and policy implementation. For example, in the response to the 2018 ACT Auditor General's report on *Acceptance of Stormwater Assets*, an inter-governmental action group was formed and delivered an action plan. Without clarity on the decision-making authority for this issue, the plan has not been taken forward for endorsement or implementation. Similar challenges exist on topics of water security, integrated water management and cross-border planning and supply (Aither 2021, *ACT Governance Review - scoping paper on current issues and potential improvements*). The Review clearly demonstrates that current institutional arrangements and resourcing (capacity and capability) is inadequate to respond to current and emerging strategic risks. Relying on existing resources will not provide improvement in the delivery of current statutory functions or new initiatives.

If left unaddressed, these issues threaten to undermine the ability of the ACT Government to effectively manage the ACT's water resources into the future, with ongoing impacts for all residents of the ACT and surrounding region that use and value the region's water resources. These risks are compounded with the effects of a growing population (within the ACT and the surrounding region) and changing climate. The potential consequences would be a further decline in water quality that impacts human health (e.g., blue green algae and bacterial loads), reduced water security and the inability to respond to increasingly severe droughts, increased frequency of extreme rainfall events

and heightened flood risk (NARCliM 1.5). See Section 5 Risk Management and Attachment C for the Wellbeing Impact Assessment.

Why now?

Governance issues remain outstanding because no one agency has the authority, mandate and, importantly, the resourcing to drive the necessary reforms. Previous attempts have been made to address poor cross-sectoral coordination through the cross-agency Director-Generals Water Group and Senior Executives Water Group. These groups were established to respond to the Millennium Drought and ceased once the drought ended.

Stakeholders' insights provided through the water governance review offer that an unclear mandate, unclear processes for elevating and resolving issues and inadequate capacity to service the workflow diluted the effectiveness of both executive groups. Broader governance, strategic direction, decision-making responsibility and capacity (resourcing) issues will need to be addressed before any cross-sectoral coordination group can be effective.

2. Options analysis

A structured process was used to identify and prioritise current water governance issues and develop a solution set (priority reform agenda) with input from the Advisory Group (Attachment F3). Four different governance models were explored to deliver the package of priority reform activities. The need to centralise core responsibilities, to be led from a single entity (Office of Water), was identified as critical to resolve the systemic issues impacting the water sector.

Consideration of different governance models implemented in the ACT and other jurisdictions has guided the necessary functions and characteristics being proposed for the ACT Office of Water. Other governance models that informed the options comparison presented at Table 1 include: a coordinating role as performed by ACT Office for Climate Action; an independent statutory authority such as the Office for the Commissioner for Sustainability and the Environment; and a water agency that centralises all regulatory and operational responsibilities e.g., New South Wales Office for Water. The proposed model for the ACT Office of Water (option 3, Table 2) is considered a proportionate response to effectively address the critical problems identified.

Detailed assessment of the water reform activities and the proposed governance model for the Office of Water is documented in the ACT Water Governance Review, Stage Two report - *Final Reform Options and Implementation Guidance* (Aither 2022).

Resourcing options considered in developing the proposal include phased funding (to 2026) and the transference of budget with water management functions from agencies to the Office of Water.

The proposed Office of Water and associated package of priority reform activities will be considered by Cabinet on 13 July 2022 (22/159).

2.1 Options comparison – water governance

Table 1.

	Option 1	Option 2	Option 3	Option 4
	No new funding allocation	Medium cost ($3,278,000 net)	Optimal cost ($6,119,000 net)	Maximum cost ($13,078,000 net)

Role of Office	No office	Office as assurance/facilitator only	Office as policy lead, responsible for priority governance reforms	New central water agency
Funding phasing	Annual	Funding for four years.	Funding for four years.	Ongoing funding.
Approach	Some minor reforms* led without an Office of Water by existing agencies. Establish a new cross-agency coordination forum to resolve critical issues.	Office undertakes targeted assurance reviews over four years, as directed by the Minister. Office is located within EPSDD. Office coordinates minor reforms* but is not responsible for implementation of reforms – reforms remain within the responsibility of existing agencies.	Head of the Office of Water (HoOW) to lead the Office. Office is located within EPSDD. Office leads all priority governance reforms and reports to the Minister on implementation of reforms. Office centralises all water policy and planning functions, including some functions currently with Environment Protection Authority (EPA). Office undertakes assurance reviews as directed by the Minister, e.g., implementation of Water Strategy.	Office of Water established as a new central water agency (not within EPSDD), with direct accountability and reporting to the Minister for Water. Head of Office established as a CEO type position with increased delegated decision-making from the Minister e.g., issuing of entitlements. As with Option 3, but with additional operational, program delivery, service delivery (Inner North Reticulation Network) and regulatory responsibilities.
Outcomes	Minor reforms would lead to improved inter-agency coordination and information sharing. Limited improvement in environment conditions and water management.	Minor reforms would lead to improved inter-agency coordination and information sharing. Limited improvement in water management. Responds to some implementation risks.	All priority governance reforms, and policy initiatives progressed. Significant improvement in water security and environmental condition. Effective response to strategic issues such as climate change and water security. Improved public confidence and trust in government.	All priority governance reforms, and policy initiatives progressed. Significant improvement in water security and environmental condition. Effective response to strategic issues such as climate change and water security. Improved public confidence and trust in government.
Benefits	Managed within existing budgets. No organisational change. This option represents the status quo.	Provides opportunity to undertake targeted assurance reviews.	Implementing the reforms in full, filling strategic policy gaps and aligning/centralising most policy	Implementing reforms in full would resolve outstanding

	Limited benefits.	Coordination forum is established to support cross agency communication and collaboration. Supports implementation of existing water functions.	and planning functions would lead to improved wellbeing benefits (see Attachment C). Effective mitigation for strategic risks – policy gaps and policy implementation issues. Single point of reference for public and industry on water matters. Minimises workforce disruption through focusing improvements on policy and planning functions. Delivery of new initiatives – Water Information Hub, Ngunnawal Water Initiative, Long term water security and climate adaptation planning, refresh of the ACT Water Strategy.	governance issues and outcomes for the sector. Effective mitigation for strategic risks. Strong alignment between policy, planning, regulation and program delivery. Single point of reference for public and industry on water matters. Delivery of new initiatives – Water Information Hub, Ngunnawal Water Initiative, Long term water security and climate adaptation planning, refresh of the ACT Water Strategy.
Disadvantages	This option only proposes that minor improvements are undertaken (e.g., information sharing, clarifying existing responsibilities). Does not address the significant and systemic governance issues identified across the sector. Strategic risks remain unmitigated. Does not deliver on the Water Information Hub, water security and climate change planning and only limited delivery of the Ngunnawal Water Initiative.	This option only proposes that minor improvements are undertaken (e.g., information sharing, clarifying existing responsibilities). Does not address the significant and systemic governance issues identified across the sector. Strategic risks remain unmitigated. Does not deliver Water Information Hub, no new information generation to support water security-climate change adaptation planning, limited advancement of Ngunnawal Water Initiative.	More expensive than Options 1 and 2. Requires some disruption to the institutional arrangements to realign responsibilities.	New agency structure does not allow for separation of policy and regulation/compliance (an important element of good governance). Highest cost option. Requiring major machinery of government change with significant disruption to workforce/water sector. Slow to establish in practice.

Timescale	Annual. Activities to be conducted in one year (subject to budget). Benefits to be incurred over decades, or potentially undetectable, as the improvements to governance arrangements are minor.	Costs incurred over four years. Benefits to be incurred over decades as the improvements to governance arrangements are minor. Some reform to policy and program delivery would improve outcomes for lakes and rivers (see Attachment C).	Costs incurred over four years. Benefits incurred over a shorter time span than Option 1 and 2 due to the resourcing and institutional arrangements to drive reforms. Enables better policy and program delivery and ultimately outcomes for lakes and rivers (see Attachment C).	Costs ongoing if established as permanent new agency. Benefits incurred as for Option 3.
Major Risks	This option relies on existing level of resourcing dispersed across multiple agencies. Inadequate capacity and capability have been identified as a key constraint in the sector. Without additional resourcing the proposed minor reforms are unlikely to be prioritised/implemented by existing agencies. A coordination forum will have limited effectiveness until other governance issues are resolved. High reputational risk of no change in water management.	While the Office would coordinate and report on reform implementation, implementation remains the responsibility of existing agencies and are unlikely to be progressed under existing resourcing limitations. New policy development (e.g., integrated water planning, Ngunnawal Ngadjung Water Initiative) not funded, would be subject to future funding. Integrated water plan is limited in scope and cannot be supported by quantitative analysis. Does not support a diversification of water supply for climate adaptation.	Delivering a reform and policy agenda sets high public expectations for significant improvement in administration and short-term water management outcomes. The proposed reform agenda provides a proportionate risk treatment to the strategic risks identified through the Governance Review and other reviews.	Does not allow for structural separation of water resource management, regulation and service delivery (consistent with the 2004 *Intergovernmental Agreement on a National Water Initiative*).
Evaluation/ Wellbeing	Any improvement in water governance arrangements will contribute to improved outcomes for river and lake health and aquatic ecosystems. Options 3 and 4 (where the reform agenda is implemented in full) will support measurable improvements in wellbeing outcomes than compared with Options 1 and 2 (where only partial reforms are pursued).			

*Minor reforms would include:

1. Better specifying existing roles and responsibilities through inter-agency agreements and performance measures
2. Building capacity and capability of staff through learning and development
3. Reviewing information sharing arrangements between agencies and the public

3. Proposed Solution

Resolving the extensive and entrenched issues identified requires a package of reform activities that redefines the future direction for the water sector, provides leadership and builds capability for developing innovative solutions.

The fragmented nature of water management (e.g., policy, planning, regulation, resources) has contributed significantly to the chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management, provided the Office is enabled to coordinate the centralisation of policy and planning functions, has authority to drive improvement and is adequately resourced to act (Option 3, Table 2).

The Office would initially be funded for four years with its continuation subject to an independent review in the third year (2025).

The Office for Water

The preferred model for delivering ACT water governance reforms is to establish an Office of Water that leads the implementation of all priority (foundational) governance reforms. This model would adopt all water policy and planning functions from across EPSDD, plus relevant functions from other agencies subject to review and further consultation with the sector. Functions that may be transferred from other agencies relate to cross-border policy and regional water planning, water service planning, and water allocation and trade, water accounting and reporting, for example (see section below on Proposed Structure of Water).

Water related responsibilities not transferred to the Office of Water (e.g. service delivery, regulation, relevant activities such as development planning) could be managed through a consultative forum, to be developed during the establishment phase of the Office.

The core aim of an Office of Water is to enable ACT Government agencies that are working on elements of water management and policy to more holistically:

- clarify (or reset) the vision, objectives and goals for the sector;
- tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach;
- investigate and resolve deeper issues of governance and structure; and
- communicate with the public on ACT water resource management issues.

The Office would be located within EPSDD, with responsibility to:

- lead policy and planning for the ACT water sector, including regulatory setting (e.g., setting environmental authorisations for water quality issues);
- implement the full package of governance reforms (see Attachment F3);
- undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;
- provide the primary point of engagement with ACT community on water sector issues; and
- undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

Priority foundational reform activities to be delivered by the Office is provided in Attachment F3. In addition to these reform activities, the Office of Water would deliver the following:

- Refresh of the ACT Water Strategy 20214-44: Striking the Balance.
- Develop and implement a Ngunnawal Ngadjung Water initiative.
- Develop a long-term Integrated Water Management Plan for water security and climate adaptation.
- Establish a Water Information Hub.

The package of deliverables that contribute to and align with the Wellbeing domain of Environment and Climate are set out in Attachment C.

This model was assessed as providing the most effective and efficient means by which to implement the reform priorities identified through the Water Governance Review.

Head of the Office of Water

It is proposed that the Office is led by a departmentally appointed Head of Office of Water (HoOW), reporting to the Deputy Director-General (Environment, Water and Emissions Reduction) and the Minister for Water. This position will be absorbed within EPSDD's current budget.

Changes to Administrative Arrangements are likely to be required to align relevant responsibilities of the Office of Water under the Minister for Water. Reviewing Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions is proposed as a priority reform item (Attachment F3). In the interim, a delegation instrument may be used to define initial responsibilities assigned to the HoOW.

Proposed structure of the Office of Water

It is proposed that the Office could be structured along four themes, as shown in the table below. The *Existing FTE* figures in the table below are estimates only, approximated across the four years (22/23 to 25/26). They are subject to further consultation.

THEME	**Total FTEs**	**Existing FTEs**	**New FTEs**	**Potential responsibilities for team**
1. Inter-governmental Water Policy and Governance Reform	3	3	0	Implementing governance reforms, assurance and policy evaluation, cross border supply, National Reporting, National Water Initiative, Murray-Darling Basin (MDB) Authority requirements, Council of Australian Governments requirements, catchment coordination. **Some FTEs could be transferred from EPSDD/CMTEDD - subject to further consultation*
2. Urban Water Policy and Planning	4	1	3	ACT Water Strategy, Integrated Water Management Plan, Water Sensitive Urban Design, integrated wastewater planning Lakes and Ponds Plan of Management, Sub-catchment water planning, flood risk planning, delivery of water trading, water accounting and reporting. ** FTEs to be transferred from within EPSDD - subject to further consultation*
3. Environment and Culture	2	2	0	Environmental flows, Long-term Watering Plan (MDB), water quality, cultural water.

				**FTEs could be transferred from within EPSDD*
4. Water Information	3	1	2	Development of information hub, data management, modelling, monitoring, evaluation and reporting of water quality and quantity. ** FTE to be transferred from within EPSDD*

FTE	**FY 22/23**	**23/24**	**24/25**	**25/26**
Existing positions (EPSDD, and positions transferred from other agencies - TBC)	3	7	7	7
Head of Water executive position – EPSDD to offset	1	1	1	1
New FTEs	5	5	5	5
TOTAL	**9**	**13**	**13**	**13**

Out of Scope

The Office will not assume responsibilities for:

- operational and program delivery e.g., Natural Resource Management activities, Waterwatch, Healthy Waterways, asset maintenance) - these will remain within the relevant functional area within the relevant agency;
- compliance activities for example compliance for water take, monitoring of water quality - these will remain the responsibility of the EPA who will report on compliance activities to the Office and Government;
- service provision - this will remain with Icon Water and Transport Canberra and City Services Directorate (TCCS); and
- dam safety - this will remain with the Utilities Technical Regulator (UTR).

Coordination Forum

A cross-government senior-executive coordination forum would be established to provide advice to the HoOW - see Section 5 Governance. Resolving the purpose and nature of this forum would be an early deliverable for the Office.

Intended outcome and beneficiaries

Good governance is essential for supporting a resilient and water-secure city; for ACT residents to access secure water supply and to enjoy the amenity values provided by the ACT's rivers and lakes.

The proposal aligns with the Wellbeing domain of Environment and Climate. The intended outcomes and beneficiaries are described in detail in Attachment C.

The Investment Logic Map provided at Attachment F4 illustrates the benefits and deliverables from the proposed package of reforms. The Office of Water and the package of reforms aims to improve the effectiveness of policy and program delivery, provide integrated water supply and wastewater management and improve public confidence in the ACT Government's water management. The proposed governance arrangements provide a proportionate response to the current and emerging

strategic risks associated with climate change and the pressure of population growth on the long-term security of the ACT's water resources.

The Office would provide a single point of contact for the public on water sector issues and improve public transparency and accountability for water management.

Delivery

Delivery timeframes are set out at Attachment F2. The proposal is a stand-alone proposal.

A separate business case has been developed to strengthen the capacity of the Environmental Protection Authority (EPA) to deliver it regulatory responsibilities. The regulatory responsibilities of the EPA will remain separated from the policy and planning responsibilities proposed for the Office of Water. The EPA and Office of Water business cases are complementary but distinctly separate in their resourcing requirements.

EPSDD would lead the initial establishment of the Office. In the six months from July – December 2022 (subject to Cabinet approval), EPSDD would recruit the Head of Office of Water (HoOW), progress required administrative changes to establish the Office including the delegation instruments, and initiate recruitment for the Office.

The proposed resourcing for this Business Case has been costed to deliver:

- existing water management functions and responsibilities that are proposed to be centralised in the Office of Water, where inadequate capacity and capability (resourcing) have been identified as negatively impacting implementation of Government policy and programs (refer to Section 1 – Problem Statement).
- new initiatives and governance reform package listed in Section 3. Activities include development of a web-based water information platform, generating new hydrological information to support climate change adaptation and integrated water planning, improved evaluation and reporting of policy and program delivery, engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (e.g. defining cultural flows, building community capability, and securing water entitlements and developing a business framework for economic development).

Source of funding

Revenue from the Water Abstraction Charge (WAC) could be used towards funding the new Office. The WAC is charged to recover catchment management costs and environmental costs associated with water extraction.

The ACCC annual Water Monitoring Report (2019, 2020) and the ACT Commissioner for Sustainability and Environment (2018) highlight a disjuncture between WAC revenue and expenditure on water management activities in previous years. EPSDD's 2022 report to the ACCC indicates an $18.8 million difference between WAC revenue and relevant expenditure on water resource management.

The issues identified through the ACT Water Governance Review highlight that the level of resourcing for some years has been insufficient to support effective water management. The transfer of existing staff resourcing assumed in the proposed budget through remains insufficient to deliver current policies and proposed new initiatives without new funding.

This business case represents an increase in the base funding to support the water resource management outcomes intended by the WAC, and consistent with the National Water Initiative

Water Pricing Principles. Funding to establish the Office of Water, implement reforms and new initiatives could be legitimately assigned to revenue raised through the WAC.

4. Policy alignment

This proposal responds to an executive reform order in the *Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly* to *'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.*

The proposal also responds to a 2019 resolution passed by the ACT Legislative Assembly on water security, which called upon the ACT Government and Icon Water to:

- continue to implement and promote the ACT Water Strategy 2014-44: Striking the Balance;
- hold consultations with water stakeholders and experts; and
- ensure climate change projections are considered in long-term planning and decision-making regarding water use and restrictions.

5. Implementation, governance, risk management

Implementation

The timeline for key deliverables is provided at Attachment F2.

Creating the required authorising environment for the Office would require amendments to the Administrative Arrangements to align responsibilities with the Minister for Water, new/revised inter-agency agreement (Memorandum of Understanding or similar) and delegation instruments. Timely establishment of the Office would benefit from dedicated resourcing within the first 6 months.

The Office would be hosted within EPSDD to maintain close alignment between policy, planning, program delivery (Healthy Waterways) and science (Conservation Research). The new Office would use the existing corporate and administrative support systems (HR, ICT, finance etc).

An organisational strategic plan, annual work plan and performance framework would guide the early establishment and on-going operation of the Office to deliver the reform priorities and key deliverables.

There are two key milestones for the Office:

1. At the end of the second year (2024) – review of the effectiveness of priority foundational activities to determine whether further reforms are necessary. For example, amendments to the *Water Resources Act 2007*.
2. At the end of third year (2025) - a mid-term review on the effectiveness of the Office of Water.

Governance

The HoOW will report to the Minister for Water.

A coordination forum would be established to provide strategic advice on cross-cutting issues and policy development. The terms of reference for the forum and its establishment will be delivered by the Office within the first six months of operation. Representation may be comprised of senior executives from EPSDD, Chief Minister, Treasury and Economic Development Directorate (CMTEDD), EPA, TCCS, Icon Water and other representatives as deemed appropriate.

Risk management

The key risks associated with the proposal include:

- Capability and capacity to deliver reforms - ensuring the Office has adequate resourcing and can access the skills and capability required to deliver the reform and policy agenda effectively in the time scheduled.
- Leadership – recruiting the right person to lead the Office with appropriate leadership experience and dedicated capacity to focus on the water reforms.
- Stakeholder management – ensuring the sector has stakeholder support to the proposed changes/reform agenda.

These risks would be managed through strong business planning, a collaborative cross-agency approach to change management (initiated with the water governance review), establishment of an Office with a culture of leadership and innovation, and an appropriate level of financial resourcing.

There are greater risks to the wellbeing of the ACT community by **not** undertaking the reforms as proposed i.e., options 1 or 2. Unaddressed governance issues, especially when facing compounding pressures of climate change and population growth, will have detrimental effects on the long-term management of the ACT water resources. The materialisation of this risk is evident under current arrangements. The proposed reforms aim to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability) under the status quo (option 1).

There is reputational risk in the continuation of unresolved issues, that could erode public confidence in the ability of the Government to manage water resources effectively.

6. Performance measures and evaluation

The Investment Logic Map (Attachment F4) describes the relationship between funded interventions, expected benefits and performance indicators that could be used to measure the intended wellbeing outcomes.

A mid-term review of the Office's operation would be conducted by an independent reviewer using an evaluation framework that aligns with the wellbeing impacts and delivery of key reforms. The evaluation framework would be developed in the first six months of the Office's establishment.

The ACT Water Strategy is proposed to be reviewed during the first year of the Office's function. The Strategy sets targets for delivering outcomes for the water sector. The Office would report annually against strengthened performance measures and targets in the Strategy. Setting annual measures of performance would be drawn from the National Performance Report (Bureau of Meteorology) and an Annual Implementation Plan for the Office.

7. Inter-agency collaboration and stakeholder input to proposal

This is an EPSDD proposal. However, there are cross-agency implications because some policy responsibilities currently residing in other agencies (CMTEDD, EPA) are proposed to be brought into the new Office of Water.

The Water Governance Review formed the basis for the package of reforms proposed within this business case. The Review involved an Advisory Group consisting of all agencies and Icon Water with responsibility for water management (CMTEDD, TCCS/Roads ACT, EPA, Emergency Services Agency (ESA)). The priority package of reform activities and model for the Office of Water was developed with extensive collaboration through the Advisory Group.

The costings and wellbeing analysis was developed by the EPSDD Water Policy team, with review by EPSDD Communications and Business Support teams (costings) and the CMTEDD Wellbeing Team (Wellbeing Impact Assessment).

The Dhawura Ngunnawal Caring for Country Committee have been consulted on proposed reforms and approach to establishing the Office of Water. They agree the need for improvement and are keen to continue discussions with the ACT Government on how the Office can support stronger participation of Ngunnawal people in water planning and management.

EPSDD Water Policy team will ensure the ACT and Region Catchment Management Coordination Group will be kept informed of progress in establishing the Office of Water and implementing the reform agenda.

8. Communications and engagement

There will be further stakeholder engagement and consultation in delivering this proposal. A full communication and stakeholder engagement strategy is proposed to be developed within the first three months of the Office being established, in consultation with the Minister's Office.

Early communications will focus on raising awareness about the new Office, its role and promoting the benefits for water management in the ACT and surrounding region. Targeted public consultation and communications products will be developed as key policies are progressed (e.g., the revised Water Strategy, Ngunnawal Ngadjung Water Initiative, Integrated Water Management Plan and review of Environmental Flow Guidelines).

The Office will be the first point of contact for the public on water information. A new online Water Information Hub is proposed to be built and hosted by the Office. The Information Hub would provide improved public access to all aspects water information within the ACT (including quality, flood, overland flow, water sensitive urban design, groundwater, bores, monitoring sites, compliance etc). By assembling hydrometric and monitoring information from across government in one place the Information Hub will also support improved technical capacity across government and evidenced-based policy and planning.

The Office will communicate with a wide range of stakeholders involved in water management including but not limited to:

- ACT Government Directorates (ESPDD, TCCS, CMTEDD, ACT Health, ESA)
- Utility providers - Icon Water and Queanbeyan-Palerang Regional Council
- ACT statutory positions (Environment Protection Authority, ACT Conservator of Flora and Fauna)
- New South Wales (NSW) Government (NSW Office of Water; NSW Department of Primary Industries and Energy; NSW Environment Protection Authority)
- Murray Darling Basin Authority
- Commonwealth Government (Department of Agriculture Water and the Environment; National Capital Authority)
- ACT and Region Catchment Management Coordination Group (statutory forum under the *Water Resources Act 2007*)
- Non-Government Organisations (e.g., Ginninderra, Molonglo and Southern ACT Catchment Groups; Waterwatch; Upper Murrumbidgee Catchment Network)
- Academic institutions – Australian National University, University of Canberra
- Exiting ACT water licensees
- General public, through occasional use of 'Your Say' site for public consultation on key policy development.

9. Detailed costs

Cost estimates

Detailed cost estimates are at Attachment F5.

Part B: Business Case Authorisations

Capital Works and Plant & Equipment Authorisations (sign-offs essential)

Authorisation	Name, position, signature and date
1. Functional brief/output specifications at [..] are sufficiently progressed in order to go to market under the delivery model selected and within the procurement timeline outlined in the business case.	(IFR/MPC representative) *
2. The benefits/needs analysis is based on evidence.	(Treasury representative) *
3. The delivery model selected is appropriate for the project risk profile and value.	(IFR/MPC representative) *

*This signature does not represent support for the proposal as a spending proposition.

ICT reviews (sign-offs essential)

Responsible area	Name, position, signature and date
1. Business system owner	
2. Budget Assessment Sub Committee	

ATTACHMENT F2 – TIMELINE FOR IMPLEMENTATION OF KEY DELIVERABLES

Key deliverables

Delivery components	**Outputs/ deliverables**	**Key deliverables timeframe**	**Point of assessment** (of deliverables)
Establish the Office	Head of Office of Water (HoOW) recruited	3 months	6 months from establishment of Office
	Recruitment new FTEs	3 months	
	Communications and engagement strategy developed	3 months	
	Program evaluation plan in place that links to wellbeing impact measures.	6 months	
Implement governance reforms	1. Review and adjust Administrative Arrangements to better align with core water, planning, operational and regulatory functions	6 months	3-year mid-term review/ program evaluation
	2. New inter-agency protocols and procedures for resolving cross-cutting issues are in place	6 months	
	3. Recommendations report on how to improve monitoring/reporting approach for reforms and Water Strategy	1 year	
	4. Accountability – WAC is accounted for in annual reporting	2 years	
	5. New protocols for information sharing arrangements between agencies/Icon is in place	1 year	
	6. New guidelines in place regarding information sharing arrangements with public	1 year	
New policy and asset development	1. Water Strategy has been reviewed and updated	1 year	
	2. Integrated Water Management Plan developed	2 years (begin development after Water Strategy revised)	
	3. Ngunnawal Ngadjung Water Initiative developed	1 year	
	4. Ngunnawal Ngadjung Water Initiative implemented	4 years	
	5. Water Information Hub established	2 years	
Conduct assurance reviews	Annual assurance work program	Years 1 - 4	

1. What are the key issues to respond to?

Governance issues were diagnosed against an assessment framework based on the OECD principles on water governance (Appendix A). The issues were tested with the Advisory Group to identify the key issues to respond to. These include the need to address:

- lack of clarity of roles, responsibilities, and accountabilities
- ineffective coordination, and
- inadequate or misaligned capability and capacity (skills, financial and information).

The clarity and coherence of the ACT policy and legislative framework for water management in relation to the vision and objectives in the ACT Water Strategy was also identified as a potential area for reform. However, feedback from the Advisory Group was that this should be considered in the context of the other governance issues raised, and so it is no addressed as a standalone issue in this paper.

A short description of issues and impacts is provided below.

1.1. Roles, responsibilities and accountability

Water sector roles and responsibilities are poorly defined and/or misunderstood (for example, in relation to progressing policy and responses to regional water security, or regional water service augmentation). There are also examples where of current administrative arrangements distribute accountability for outcomes across multiple ministers and agencies (such as for oversight of environmental protection, catchment management, and water quality. This makes it difficult to coordinate strategic or holistic responses to issues due to the number of entities involved. This leads to:

- lack of clarity about core outcomes and activities
- duplication/ fragmentation of roles and responsibilities
- gaps in roles and responsibilities (not performed)
- difficulty assuring performance/ outcomes / managing risks
- poor visibility across outcomes/ shared outcomes
- ineffective decision-making and coordination
- difficulty implementing strategic responses
- insufficient/ misaligned capability and capacity.

1.2. Coordination and decision making

Ineffective inter-agency coordination and decision-making on shared issues/ outcome areas. There is no defined approach across the ACT water sector for raising issues, coordinating decision making and responses, or addressing trade-offs when it comes to multi-stakeholder issues and integrated water management. This also extends to inter-jurisdictional decision making. This leads to:

- imperfect information / narrow stakeholder perspectives in decision making
- inefficient decision making / lack of consensus
- delayed / stalled progress on implementing key actions in the ACT Water Strategy and other shared issues
- a breakdown in communication to internal and external stakeholders as to how these issues are being considered and resolved.

1.3. Capability and capacity

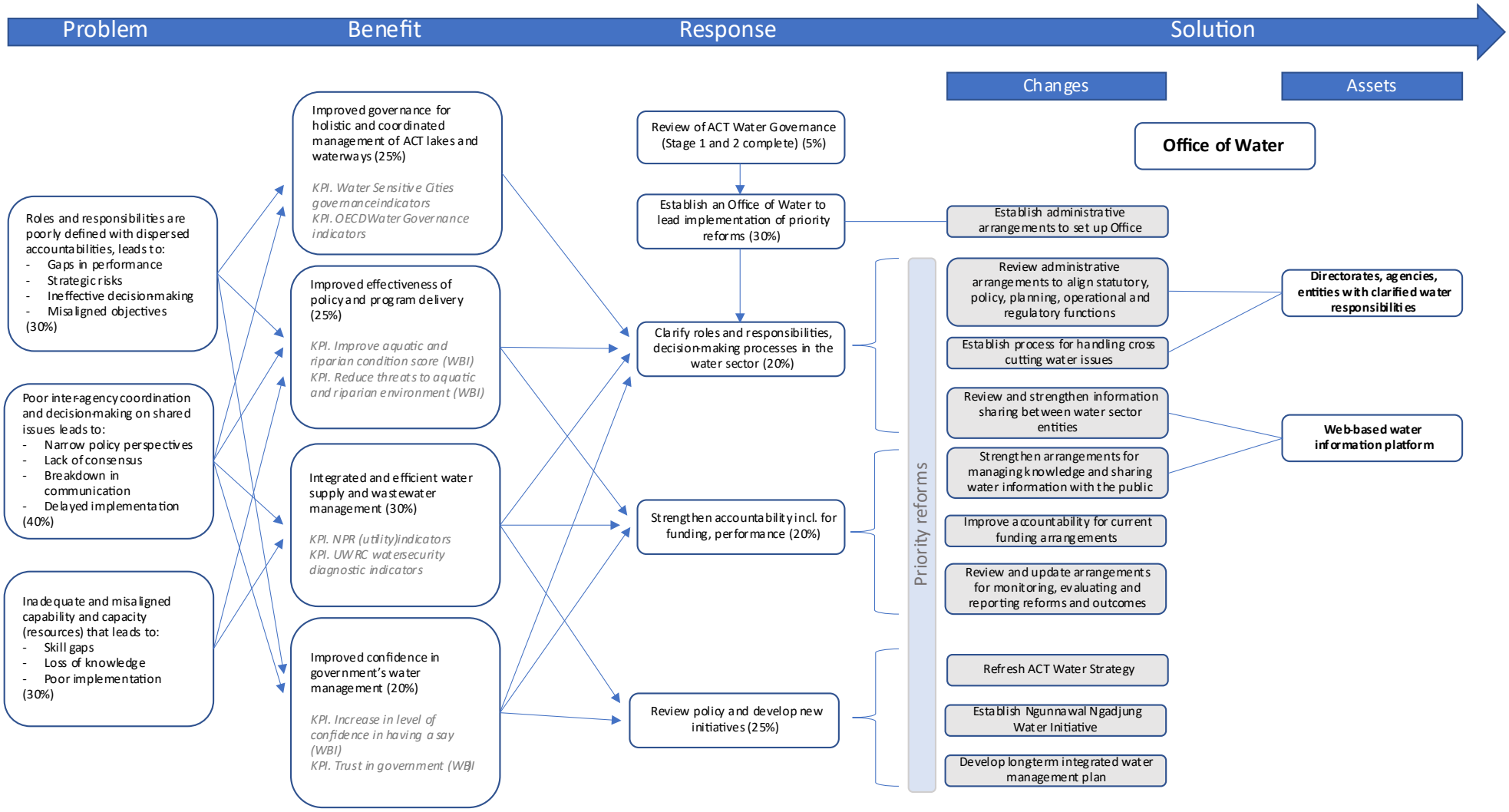
There is inadequate or misaligned capability and capacity (in terms of the quantity and quality of human, financial, and information resources) to implement roles and responsibilities across the sector and deliver on key outcomes and activities within the ACT Water Strategy and cross cutting initiatives. This is hindered by unclear and fragmented roles, responsibilities and accountabilities. This leads to:

- gaps in key skill sets to support policy development and decision making
- reduced ability to attract and retain suitably qualified staff
- lack of sharing of resources and information, and availability of information for decision making
- funding allocation and prioritisation that does not appropriately support desired outcomes
- poor retention of institutional knowledge in the medium to long-term
- duplication of some monitoring and reporting (cost)
- gaps in some monitoring and reporting.

PRIORITY FOUNDATIONAL REFORMS	*Roles, responsibilities and accountabilities*	1. Review and adjust Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions	This is a foundational activity to support other governance reforms, including reviewing and matching capability to core water management roles and responsibilities. This would involve reviewing current Administrative Arrangements and documentation of roles and functions at the agency level for all agencies with water sector responsibilities, and recommending any structural changes required through adjustments to administrative arrangements.
	Coordination	2. Establish a process for decision and policy making for cross-cutting water sector issues	The Office would establish an agreed process between relevant water sector entities for progressing and resolving water cross-cutting water sector issues, including guidance on when consultation and collaboration between agencies should occur, and thresholds for escalating issues for resolution.
	Capacity and capability	3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	This activity would streamline current agency and entity reporting processes, and provide a consolidated monitoring, evaluating and reporting (MER) framework to assess the implementation of water plans, policies and strategies.
		4. Improve accountability and transparency for current funding arrangements	The reform would support governance arrangements for the allocation of resources to align with priority capacity and capability requirements. This activity would involve mapping existing funding streams and allocations to agencies and establishing monitoring and reporting on funding for water management activities.
		5. Review and strengthen information-sharing arrangements between water sector entities	Access to information is essential for building and retaining corporate knowledge in the longer-term, and supporting agency staff to deliver against their roles and responsibilities. This would identify blockages in information sharing, and the type, format, and frequency of information required to support implementation of water management activities, and recommend agreements and procedures to improve information sharing. This activity should occur after activity 1 (review of Administrative Arrangements).
		6. Review current arrangements for collecting, managing and sharing water information with the public	This activity is integral to enhancing public trust and promoting accountability in management of the ACT's water resources, and a foundational step for establishing

			the Office as the point of contact for the ACT community on water information. The review would inform the scoping of a web-based 'Water Information Hub'.
SECONDARY REFORMS	*Roles, responsibilities and accountabilities*	7. End-to-end regulatory review of core water management legislation	Review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance or legislative amendments are required. This is not a priority. The Advisory Group agreed that, in general, current water legislation was fit for purpose and that gains could be made in improving the administration and implementation of legislation before an end-to-end review was required. Legislative review could be undertaken as a standalone activity in 3-5 years' time following the implementation of other governance reforms.
	Coordination	8. Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination	The priority reform activity 2 provides for the Office to establish a fit-for-purpose process for improved coordination and decision-making. The nature of any new forum or governance structure will be determined based on the outcome of reform activity 2 and subject to the priority activity.
	Capacity and capability	9. Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	A full sector capability assessment is not warranted at this point in time, however, the process of delineating roles of responsibilities may lead to the identification of capability gaps.
		10. Build capability and capacity through learning and development	Targeted activities to address gaps can identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.
		11. Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	This activity could follow priority reform activity 4 (improved accountability and transparency for current funding arrangements), and explore options to address funding gaps for policies, programs and services. Involves developing an understanding the short, medium and long-term investment needs for the sector, reviewing the funding mechanisms available to both optimise the allocation of existing funding and identify new options and mechansims.

Table 1. Early evaluation framework planning and possible indicators



Investment benefit (from Investment Logic Map)	Estimated timeframe for benefits to start	How will success be measured? Possible KPIs/indicators	How will data be collected?	When will data be collected?
Improved confidence in government's water management	1 year	More informed public on water issues (New measure)	Number of people accessing water information	Baseline - historical requests to EPA / water policy inbox Change – web hits on Water Information Hub, info requests of Office at 1 year, 2 years
	2 years	Increased level of confidence in having a say on water issues (New measure based on WBI '*increase in having a say and being heard*')	Survey through yoursay or similar	Baseline - survey Change - survey at 1 year, 2 years
	2 years	Increased trust in government to manage water issues (New measure, based on WBI '*trust in government*')	Survey through yoursay or similar	Baseline – survey Change – survey at 2 years, 3 years
	1 years	Increased participation of Ngunnawal people in water (New measure)	Consultation with Dhawura Ngunnawal Caring for Country Committee	Baseline – consultation as part of the Governance Review Change –consultation at 1 year, 2 years
Improved governance for holistic and coordinated management of ACT Lakes and Waterways	2 years	Improved water governance (New measure using OECD (2018) Water Governance Indicator Framework)	Multi-stakeholder self-assessment workshop	Baseline – stakeholder workshop in first six months using OECD framework Change – workshop at 3 years
		More water sensitive city (New measure using water sensitive cities index – good water governance indicator)	Multi-stakeholder self-assessment workshop	Baseline - Water Sensitive Cities 2018 Benchmark report (ACT) Change – workshop at 3 years
Integrated and efficient water supply and	3 years	More integrated water supply and wastewater management (New measure on quantity of recycled wastewater supplied to	Icon Water reports annually on quantity recycled water supplied through NPR Framework.	Baseline – 2021/22 measure Change – measure in years 2, 3,4

wastewater management		customers and/or number of customers) Additional measures could be developed using Water Security Definition Diagnostic Indicators, and/or National Performance Reporting Framework (NPR) Indicators)		
Improved effectiveness of policy and program delivery	5 years - decades	Healthier aquatic environment in ACT rivers and lakes (WBI measure - increase in aquatic and riparian condition score)	Timing and method for collecting against this measure TBC with CMTEDD Wellbeing Team	Baseline – 2021/22 score Change – score in year 3
		(WBI measure – reduce threats to aquatic and riparian environment)	Timing and method for collecting against this measure TBC with CMTEDD Wellbeing Team	Baseline – 2021/22 score Change – score in year 3

User Guidance for Business Case Costing Template

a. This spreadsheet provides eight sheets (tabs 3 -10) that can be used to provide costing input for the business case.. Tabs that require input from business case preparers are highlighted green.

b. All cells/rows/columns that require input are highlighted in green. Please go through each Tab carefully and provide data input where applicable in green highlighted cells. Other cells are locked and should not be changed

c. **Tab 3 - Recurrent Staff Cost** is for additional FTEs required for delivery of the **expense** component of the proposed project. You are required to input FTE numbers against the correct classificaiton by filling columns C to T.

d. **Tab 4 - Capital Staff Cost** is for additional FTEs required for delivery of the **capital** component of the proposed project. This is generally staff who are building or commissioning the asset (not design work). You are required to input FTE numbers against the correct classificaiton by filling columns C to T.

e. **Tab 5 - Unfunded staffing** is for existing staffing resources that will be utilised for the delivery of the proposal for which no additional funding is being sought.

f. **Tab 6 - Recurrent Supplier Cost** is for non-employee costs asssociated with expense components of the proposal. Examples of the cost breakdown names are provided for reference, please update the cost categories as per resourcing needs of the business case. Please also specify the resource to be engaged within the corporate areas such as fleet costs or equipment in addition to the standard ICT equipment.

You are also required to select the expense type (GBMS Account Name) for each cost category.

g. **Tab 7 - Capital Supplier Cost** is for non-employee costs asssociated with **capital** components of the proposal. Capital should

Provide the basis for costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc)

Training Levy Assessment:

Construction works are subject to a training levy of 0.2%. A self-assessment is required for each component of the capital works costs against below criteria, and amount to be entered in the specified cells in Tab 7.

Assessment criteria for construction works subject to training levy:

• building and construction works as defined under **Schedule 1** of the *Building and Construction Industry Training Levy Act 1999* are subject to Training Levy (https://www.legislation.act.gov.au/View/a/1999-30/current/html/1999-30.html) – with the following exceptions:

— constructions works that require building approval through EPSDD

— works that may not be construction works in nature such as planning, feasibility studies and design works etc.

h. **Tab 8 - Asset rollout** - Used by busienss areas to indicate when they will complete work in progress and when it will become a completed asset in use. It also captures how long the asset will provide benefit to the govnerment. This will be used for several back end accounting calculations, such as depreciation.

i. **Tab 9 - Revenue, Savings and Offsets** complete when a business case delivers either quantifiable efficiencies, reduction in expenses or demonstrable increase in revenue. Use this tab only if there are realisable offsets and financial benefits in the business case. If agreed by the Cabinet, these savings or offsets will have an impact on the business division's budget.

j. **Tab 10 - Procurement forecast** - Allows for forecast of signing contracts and other procurement activity.

EPSDD Business Case Costing Template - Summary

Business Case No:	E14
Business Case Name:	Building a Water Secure City
Output Class	02 Environment
Funding: Ongoing or non-ongoing?	Non-ongoing - subject to mid-term review in 2025
Cross Directorate Impact (pick from the drop-down list)	
Has a component of DSGC? (Yes/No)	No

Financial Impact Summary	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Capital Impact					
Capital (staff and supplier)	-	-	-	-	**-**
Expense Impacts (a)					
Expenses (staff and supplier)	2,309	3,283	3,400	3,316	**12,308**
Expenses - Depreciation/Amortisation	-	-	-	-	**-**
Revenue/Savings/Offsets Impacts					
Revenue	-	-	-	-	**-**
Savings	-	-	-	-	**-**
Offsets (b)	- 928	- 1,727	- 1,754	- 1,780	**- 6,189**

Staffing Impact	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total $'000**
FTE	9.0	13.0	13.0	13.0	
Offset from existing FTE/Internal funding	4.0	8.0	8.0	8.0	
Net additional FTE	**5.0**	**5.0**	**5.0**	**5.0**	
Capital staffing costs ($'000)	-	-	-	-	-
Recurrent staffing costs ($'000)	1,521	2,183	2,225	2,266	5,977
Offsets from existing funding ($'000)	778	1,427	1,454	1,480	2,920
Net additional Recurrent staffing costs ($'000)	**743**	**756**	**771**	**786**	**3,057**

The information contained in this table should feed into the Business Case Financial Impacts Summary table.

2022-23

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	478,311
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	264,788
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percenta

	5.0	**743,098**

2023-24 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	486,712
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	269,442
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percenta

	5.0	**756,153**

2024-25 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	496,318
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	274,745
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percenta

	5.0	**771,063**

2025-26 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	506,114
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	280,153
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

	5.0	**786,267**

2022-23	Formula based, no input required	
Position Level	**Number of Staff (FTE)** (j)	**Total Costs** (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.0	0
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	0.0	0
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a perc

	0.0	**0**

2022-23	Formula based, no input required	
Position Level	**Number of Staff (FTE)** (j)	**Total Costs** (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.0	0
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	0.0	0
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a per

	0.0	**0**

2023-2024	Formula based, no input required	
Position Level	**Number of Staff (FTE)** (j)	**Total Costs** (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.0	0
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	0.0	0
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a perc

	0.0	**0**

2024-25	Formula based, no input required	
Position Level	**Number of Staff (FTE)** (j)	**Total Costs** (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.0	0
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	0.0	0
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.5	79,718
SOG B	1.5	279,254
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	1.0	132,394
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure i

	3.0	**491,366**

Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	162,237
SOG B	3.0	568,312
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	269,442
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	136,983
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure

	7.0	**1,136,974**

2023-2024 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	165,489
SOG B	3.0	579,700
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	274,845
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	139,730
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure i

	7.0	**1,159,764**

2024-25 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	168,705
SOG B	3.0	591,011
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	280,153
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	142,430
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

	7.0	**1,182,299**

2022-23 AVERAGE SALARY COSTING TEMPLATE (Executive)

Assumptions

New staff superannuation rates have been applied as indicated.

The FBT vehicle allowance does not form part of salaries for the purposes of calculating superannuation entitlements

2022-23

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	158,818	24,000	182,818	21,024	7,500	4,758	1.44%	2,740.6	21,338	240,179		0
Level 1.2	172,249	24,000	196,249	22,569	7,500	5,094	1.44%	2,934.0	21,338	255,683		0
Level 1.3	185,671	24,000	209,671	24,112	7,500	5,429	1.44%	3,127.3	21,338	271,178		0
Level 1.4	199,039	24,000	223,039	25,649	7,500	5,763	1.44%	3,319.8	21,338	286,610	1.0	286,610
Level 2.1	212,527	24,500	237,027	27,258	7,500	6,113	1.44%	3,521.2	21,338	302,757		0
Level 2.2	231,249	24,500	255,749	29,411	7,500	6,581	1.44%	3,790.8	21,338	324,370		0
Level 2.3	249,963	24,500	274,463	31,563	7,500	7,049	1.44%	4,060.3	21,338	345,974		0
Level 2.4	268,758	24,500	293,258	33,725	7,500	7,519	1.44%	4,330.9	21,338	367,671		0
Level 3.1	287,561	25,000	312,561	35,945	7,500	8,002	1.44%	4,608.9	21,338	389,954		0
Level 3.2	299,098	25,000	324,098	37,271	7,500	8,290	1.44%	4,775.0	21,338	403,272		0
Level 3.3	310,970	25,000	335,970	38,637	7,500	8,587	1.44%	4,946.0	21,338	416,977		0
Level 3.4	322,663	25,000	347,663	39,981	7,500	8,879	1.44%	5,114.3	21,338	430,476		0
Level 4.1	334,258	25,500	359,758	41,372	7,500	9,181	1.44%	5,288.5	21,338	444,438		0
Level 4.2	343,922	25,500	369,422	42,484	7,500	9,423	1.44%	5,427.7	21,338	455,594		0
Level 4.3	356,325	25,500	381,825	43,910	7,500	9,733	1.44%	5,606.3	21,338	469,912		0
Level 4.4	388,391	25,500	413,891	47,597	7,500	10,535	1.44%	6,068.0	21,338	506,929		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total **1.0** **286,610**

2023-24

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	160,883	24,312	185,195	21,297	7,598	4,820	1.44%	2,776.2	21,615	243,301		0
Level 1.2	174,488	24,312	198,800	22,862	7,598	5,160	1.44%	2,972.1	21,615	259,007		0
Level 1.3	188,085	24,312	212,397	24,426	7,598	5,500	1.44%	3,167.9	21,615	274,703		0
Level 1.4	201,627	24,312	225,939	25,983	7,598	5,838	1.44%	3,362.9	21,615	290,336	1.0	290,336
Level 2.1	215,290	24,819	240,108	27,612	7,598	6,193	1.44%	3,567.0	21,615	306,693		0
Level 2.2	234,255	24,819	259,074	29,793	7,598	6,667	1.44%	3,840.1	21,615	328,587		0
Level 2.3	253,213	24,819	278,031	31,974	7,598	7,141	1.44%	4,113.1	21,615	350,471		0
Level 2.4	272,252	24,819	297,070	34,163	7,598	7,617	1.44%	4,387.2	21,615	372,450		0
Level 3.1	291,299	25,325	316,624	36,412	7,598	8,106	1.44%	4,668.8	21,615	395,023		0
Level 3.2	302,986	25,325	328,311	37,756	7,598	8,398	1.44%	4,837.1	21,615	408,515		0
Level 3.3	315,013	25,325	340,338	39,139	7,598	8,698	1.44%	5,010.3	21,615	422,398		0
Level 3.4	326,858	25,325	352,183	40,501	7,598	8,995	1.44%	5,180.8	21,615	436,072		0
Level 4.1	338,603	25,832	364,435	41,910	7,598	9,301	1.44%	5,357.3	21,615	450,216		0
Level 4.2	348,393	25,832	374,224	43,036	7,598	9,546	1.44%	5,498.2	21,615	461,517		0
Level 4.3	360,957	25,832	386,789	44,481	7,598	9,860	1.44%	5,679.2	21,615	476,021		0
Level 4.4	393,440	25,832	419,272	48,216	7,598	10,672	1.44%	6,146.9	21,615	513,519		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total **1.0** **290,336**

2024-25

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	162,974	24,628	187,602	21,574	7,696	4,882	1.44%	2,812.3	21,896	246,464		0
Level 1.2	176,757	24,628	201,385	23,159	7,696	5,227	1.44%	3,010.8	21,896	262,374		0
Level 1.3	190,530	24,628	215,158	24,743	7,696	5,571	1.44%	3,209.1	21,896	278,274		0
Level 1.4	204,248	24,628	228,876	26,321	7,696	5,914	1.44%	3,406.6	21,896	294,110	1.0	294,110
Level 2.1	218,089	25,141	243,230	27,971	7,696	6,273	1.44%	3,613.3	21,896	310,680		0
Level 2.2	237,301	25,141	262,442	30,181	7,696	6,753	1.44%	3,890.0	21,896	332,859		0
Level 2.3	256,504	25,141	281,645	32,389	7,696	7,234	1.44%	4,166.5	21,896	355,027		0
Level 2.4	275,791	25,141	300,932	34,607	7,696	7,716	1.44%	4,444.3	21,896	377,292		0
Level 3.1	295,086	25,654	320,740	36,885	7,696	8,211	1.44%	4,729.5	21,896	400,159		0
Level 3.2	306,925	25,654	332,579	38,247	7,696	8,507	1.44%	4,900.0	21,896	413,825		0
Level 3.3	319,108	25,654	344,762	39,648	7,696	8,811	1.44%	5,075.4	21,896	427,889		0
Level 3.4	331,107	25,654	356,761	41,028	7,696	9,111	1.44%	5,248.2	21,896	441,741		0
Level 4.1	343,005	26,167	369,173	42,455	7,696	9,422	1.44%	5,426.9	21,896	456,069		0
Level 4.2	352,922	26,167	379,089	43,595	7,696	9,670	1.44%	5,569.7	21,896	467,517		0
Level 4.3	365,650	26,167	391,817	45,059	7,696	9,988	1.44%	5,753.0	21,896	482,209		0
Level 4.4	398,555	26,167	424,722	48,843	7,696	10,810	1.44%	6,226.8	21,896	520,195		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total **1.0** **294,110**

2025-26

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	165,093	24,948	190,041	21,855	7,796	4,946	1.44%	2,848.9	22,181	249,668		0
Level 1.2	179,054	24,948	204,003	23,460	7,796	5,295	1.44%	3,049.9	22,181	265,785		0
Level 1.3	193,007	24,948	217,955	25,065	7,796	5,644	1.44%	3,250.8	22,181	281,892		0
Level 1.4	206,903	24,948	231,851	26,663	7,796	5,991	1.44%	3,450.9	22,181	297,933	1.0	297,933
Level 2.1	220,924	25,468	246,392	28,335	7,796	6,355	1.44%	3,660.3	22,181	314,719		0
Level 2.2	240,385	25,468	265,853	30,573	7,796	6,841	1.44%	3,940.6	22,181	337,186		0
Level 2.3	259,839	25,468	285,307	32,810	7,796	7,328	1.44%	4,220.7	22,181	359,643		0
Level 2.4	279,376	25,468	304,844	35,057	7,796	7,816	1.44%	4,502.0	22,181	382,197		0
Level 3.1	298,922	25,988	324,910	37,365	7,796	8,318	1.44%	4,791.0	22,181	405,361		0
Level 3.2	310,915	25,988	336,903	38,744	7,796	8,617	1.44%	4,963.7	22,181	419,205		0
Level 3.3	323,256	25,988	349,244	40,163	7,796	8,926	1.44%	5,141.4	22,181	433,452		0
Level 3.4	335,411	25,988	361,399	41,561	7,796	9,230	1.44%	5,316.4	22,181	447,483		0
Level 4.1	347,464	26,507	373,972	43,007	7,796	9,544	1.44%	5,497.5	22,181	461,998		0
Level 4.2	357,510	26,507	384,018	44,162	7,796	9,795	1.44%	5,642.1	22,181	473,594		0
Level 4.3	370,403	26,507	396,911	45,645	7,796	10,118	1.44%	5,827.8	22,181	488,478		0
Level 4.4	403,736	26,507	430,244	49,478	7,796	10,951	1.44%	6,307.8	22,181	526,958		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total **1.0** **297,933**

Overall Total **1,168,989**

2022-23	2023-24	2024-25	2025-26
286,610	**290,336**	**294,110**	**297,933**
1.0	**1.0**	**1.0**	**1.0**

Recurrent Supplier Costs

Note:

- below listed supplier costs are examples only. Please update them as per your business case res
- if engaging contractor(s), please explain why this can't be done by internal staff, and what tasks,
- identify corporate FTEs as corporate support in below table if they are heavily involved.
- Please manually enter estimated cost into the relevant month in green cells.
- Provide the basis for all your costing estimates ie what is driving the costing numbers (these may include q

2021-22							
Supplier Costs (recurrent)*	**Full 2021-22**	**GBMS Account Name (pick from dropdown)**	**Jul-21**	**Aug-21**	**Sep-21**	**Oct-21**	
Planning & Design	25,000	Supplies and Services	25,000	-	-	-	
Stakeholder Engagement	50,000	Supplies and Services	-	-	-	-	
Other employee costs	7,100	Supplies and Services	1,000	100	-	-	
Total Supplier Cost (recurrent)	82,100		**26,000**	**100**	-	-	

2022-23			
Supplier Costs (recurrent)*	**Full 2022-23**	**GBMS Account Name (pick from dropdown)**	**Jul-2022**
Project Set Up	-		
Planning & Design	-		
Contractor and consults	500,000	Consultants, Contractors and Professional S	
Stakeholder Engagement	125,000	Consultants, Contractors and Professional S	
Grant costs	-		
Purchase of equipment	-		
Project review and assessment	-		
Corporate support such as Fleet	-		
Other employee costs (training)	12,500	Staff Development and Rec	12,500
IT system subscription/license fees	-		-
	-		-
	-		-
Training levy	-		-
Total Supplier Cost (recurrent)	637,500		**12,500**

2023-24			
Supplier Costs (recurrent)*	**Full 2023-24**	**GBMS Account Name (pick from dropdown)**	**Jul-2023**
Project Set Up	-		
Due Diligence	-		
Planning & Design	500,000	Consultants, Contractors and Professional S	
Stakeholder Engagement	125,000	Consultants, Contractors and Professional S	
Risk Management	50,000	Consultants, Contractors an	50,000
Project closure	100,000	Communication and Compu	100,000
Project review and assessment	-		
Corporate support such as Fleet	-		
Other employee costs	25,000	Staff Development and Rec	25,000
IT system subscription/license fees	-		
IT system maintenance	-		
Training Levy	-		-
Total Supplier Cost (recurrent)	800,000		**175,000**

2024-25			
Supplier Costs (recurrent)*	**Full 2024-25**	**GBMS Account Name (pick from dropdown)**	**Jul-2024**
Project Set Up	-		
Due Diligence	-		
Planning & Design	500,000	Consultants, Contractors and Professional S	
Stakeholder Engagement	125,000	Consultants, Contractors and Professional S	
Risk Management	125,000	Consultants, Contractors an	50,000
Project closure	100,000	Communication and Compu	100,000
Project review and assessment	-		
Corporate support such as Fleet	-		
Other employee costs	25,000	Staff Development and Rec	25,000
IT system subscription/license fees	-		
IT system maintenance	-		
Training Levy	-		-
Total Supplier Cost (recurrent)	875,000		**175,000**

Capital Supplier Cost

Note:

- below listed Task numbers are examples only. Please update them as per the tasks/cost category relevant to the business case.
- if engaging contractor(s), please explain why this can't be done by internal staff, and what tasks/objectives will be undertaken or achieved.
- Provide the basis for all your costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc) in the Basis for Cost Estimate column
- Assess if any training levy is payable. Insert in Row B any amounts subject to training levy (not the amount payable). Training levy applies to construction projects which are not subject to building approval. It includes the staff costs. It does not include any scoping or design work.

2022-23

Supplier Costs (Capital)*		Manual input for projected phasing												Manual input **Basis for Cost Estimate**
	2022-23	**Jul-2022**	**Aug-2022**	**Sept-2022**	**Oct-2022**	**Nov-2022**	**Dec-2022**	**Jan-23**	**Feb-23**	**Mar-23**	**Apr-23**	**May-23**	**Jun-23**	Provide the basis for all your costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc)
Task #1	-													
Task #2	-													
Task #3	-													
Task #4	-													
Task #5	-													
Total Capital Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
MPC (4%) if applicable	-													This is to recognise the 4% of the MPC component for Capital Works Program if applicable
ACT Property Group (12%) if applicable	-													This is to recognise the 12% of the ACT ACT Property Group management fees if applicable
Other project cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital cost subject to Training Levy														Construction works are subject to a training levy of 0.2%. A self-assessment is required for each component of the capital works costs against the criteria below, and an amount to be entered in this cell.
Training Levy (0.2%)	-													**Assessment criteria for construction works subject to training levy:** • building and construction works as defined under **Schedule 1** of the *Building and Construction Industry Training Levy Act 1999* are subject to Training Levy (https://www.legislation.act.gov.au/View/a/1999-30/current/html/1999-30.html) – with the following exceptions: — constructions works that require building approval through EPSDD — works that may not be construction works in nature such as planning, feasibility studies and design works etc.
	-													

2023-24

Supplier Costs (Capital)*		Manual input for projected phasing												Manual input
	Full year 2023-24	**Jul-2023**	**Aug-2023**	**Sept-2023**	**Oct-2023**	**Nov-2023**	**Dec-2023**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**May-24**	**Jun-24**	
Task #1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #2	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #4	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #5	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
MPC (4%) if applicable	-													This is to recognise the 4% of the MPC component for Capital Works Program if applicable
ACT Property Group (12%) if applicable	-													This is to recognise the 12% of the ACT ACT Property Group management fees if applicable
Other project cost	-													
Capital cost subject to Training Levy														See instructions above
Training Levy (0.2%)	-													See instructions above
	-													

2024-25

Supplier Costs (Capital)*		Manual input for projected phasing												Manual input
	Full year 2024-25	**Jul-2024**	**Aug-2024**	**Sept-2024**	**Oct-2024**	**Nov-2024**	**Dec-2024**	**Jan-25**	**Feb-25**	**Mar-25**	**Apr-25**	**May-25**	**Jun-25**	
Task #1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #2	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #4	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #5	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
MPC (4%) if applicable	-													This is to recognise the 4% of the MPC component for Capital Works Program if applicable
ACT Property Group (12%) if applicable	-													This is to recognise the 12% of the ACT ACT Property Group management fees if applicable
Other project cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital cost subject to Training Levy														See instructions above
Training Levy (0.2%)	-													See instructions above
	-													

2025-26

Supplier Costs (Capital)*		Manual input for projected phasing												Manual input
	Full year 2025-26	**Jul-2025**	**Aug-2025**	**Sept-2025**	**Oct-2025**	**Nov-2025**	**Dec-2025**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	
Task #1	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #2	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #3	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #4	-	-	-	-	-	-	-	-	-	-	-	-	-	
Task #5	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Capital Cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
MPC (4%) if applicable	-													This is to recognise the 4% of the MPC component for Capital Works Program if applicable
ACT Property Group (12%) if applicable	-													This is to recognise the 12% of the ACT ACT Property Group management fees if applicable
Other project cost	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital cost subject to Training Levy														See instructions above
Training Levy (0.2%)	-													See instructions above
	-													

Formula based, no input required

	2022-23	**2023-24**	**2024-25**	**2025-26**	**Total**
Overall Total Capital Costs	-	-	-	-	-

Capital Costs Breakdown by Asset Type:

This fills from other tabs completed to classify your spending into the asset types

Table A			Capital Supplier Cost					Capital Staff Cost					Total Capital Cost					GBMS Account Code
			2022-23	2023-24	2024-25	2025-26	Total	2022-23	2023-24	2024-25	2025-26	Total	2022-23	2023-24	2024-25	2025-26	Total	
Total Capital Costs			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Asset completion

This section is indicates when assets are completed.

- Write name of the Asset completed in column A, and select asset type in column B.
- Enter estimated life of the asset (for guidance, refer to Tab 13 - Asset Useful Life) Link to: Tab 13 - Asset Useful Life
- Enter each asset/capitalised item's dollar value in the year they are completed and ready for public use. If this is to occur on 1 March, please put into next financial year (ie 31/03/2023 to be put in 2023-24 year but 28/2/2022 in the 2022-23 year).

Table B			Capital Supplier Cost					Capital Staff Cost					Total Capital Cost				
Asset Name (change as appropriate)	Asset Type	Est. Useful Life	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27	2022-23	2023-24	2024-25	2025-26	2026-27
													-	-	-	-	-
													-	-	-	-	-
													-	-	-	-	-
													-	-	-	-	-
													-	-	-	-	-
													-	-	-	-	-
Total			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Check against total amounts in capital staff and supplier cost tabs:							Okay					Okay					Okay

NOTE FOR FINANCE: Please note, if useful life is less then the budget outlook period (ie less than 4 years) perform a manual check to ensure that asset is being over depreciated

Depreciation

0	0				-	-	-
0	0				-	-	-
0	0				-	-	-
0	0				-	-	-
0	0				-	-	-
0	0				-	-	-
0	0				-	-	-
Total					-	-	-

Asset Type	GBMS Account Code	
Buildings	201101 - Buildings	701101 - Ad 701102 - Accumulated Depreciation - Buildings
Leasehold Improvements	201201 - Leasehold Improvements	701101 - Ad 701102 - Accumulated Depreciation - Buildings
Heritage and Community Assets	201301 - Heritage and Community Assets	701101 - Ad 701102 - Accumulated Depreciation - Heritage and Community Assets
Infrastructure Assets	201401 - Infrastructure Assets	701201 - Ad 701202 - Accumulated Depreciation - Infrastructure Assets
Plant and Equipment	201501 - Plant and Equipment	701303 - Ad 701502 - Accumulated Depreciation - P & E
Leased Plant and Equipment	201504 - Leased Plant and Equipment	701303 - Ad 701505 - Accumulated Depreciation - Leased P & E
Land	201601 - Land	
Capitalised Software	203101 - Capitalised Software	701102 - Ad 703102 - Accumulated Amortisation - Capitalised Software
Other Intangible Assets	203205 - Other Intangible Assets	701102 - Ad 703102 - Accumulated Amortisation - Capitalised Software

Fill in the Revenue, Savings and Offsets per financial year in the table below
Provide commentary around the Revenue, Savings and Offsets field in column 'G'
For e.g. If there's any Savings associated with the BC please highlight that in here/ If there is any Offsets to the associated BC that's coming to closure, it would be justified by referencing the BC name and number

	2022-23	2023-24	2024-25	2025-26	Total	Justification
Revenue	-	-	-	-	-	
Savings	-	-	-	-	-	
Offsets	- 927,976	- 1,727,310	- 1,753,874	- 1,780,232	**- 6,189,392**	**Offset of executive and staff members.**
Overall Total Revenue	**- 927,976**	**- 1,727,310**	**- 1,753,874**	**- 1,780,232**	**- 6,189,392**	

*Relevant procurement field needs to be completed in the below table

Procurement Forecast

What contracts are required to deliver this initiative?

Contract Title	Dependencies	Category	Planned Procurement Method	Total expected contract value	Expected Contract Start Date	Expected Contract End Date	ATSIPP	SLJ
Please be descriptive	Does this contract depend on the outcome of a related contract (if yes, include 1, 2, 3 etc)	Goods, Services and/or works	See note below	$ (GST inc)	(mm -yyyy)	(mm -yyyy)	Y/N See note below	Y/N See note below
(1)								
(2)								
(3)								
(4)								
(5)								
ESTIMATED TOTAL				$0				

NOTES		
Procurement Method	**Panel Contract** - i.e. contract under an established panel arrangement (Deed of Standing Offer); **WhoG** - utilise an existing whole	
ATSIPP	Will this contract contribute towards EPSDD's Aboriginal and	More information about the ATSI Procurement Policy
SLJ	Will the contract be subject to the Secure Local Jobs Code?	More information about Secure Local Jobs

For any questions about completing this Plan, contact the EPSDD Procurement Team at EPSDProcurement@act.gov.au

		Budget year 2022-23	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27
Salary Growth Rate	WPI rates from TSY	1.75%	1.75%	2.00%	2.00%	
Superannuation Rate		11.50%	11.50%	11.50%	11.50%	
LSL/LL		4%	4%	4%	4%	
Works compensation		1.66%	1.66%	1.66%	1.66%	
Admin		20,961	21,338	21,772	22,113	

Password: BudgetTemp

Salary rates:

	Base year	
INFRA 1	78,172	
INFRA 2	92,045	
INFRA 3	114,891	
INFRA 4	137,805	
INFRA 5	154,023	
SOG C	116,161	
SOG B	138,586	
SOG A	153,040	
ASO 1	54,816	
ASO 2	62,095	
ASO 3	69,373	
ASO 4	78,433	
ASO 5	86,168	
ASO 6	93,476	
Ranger 1	62,655	
Ranger 2	70,019	
Ranger 3	78,089	
SOG C(T)	122,136	
SOG B(T)	140,540	
Technical Officer 1	63,824	
Technical Officer 2	72,495	
Technical Officer 3	84,199	
Technical Officer 4	95,341	
SPO C	122,136	
SPO B	140,540	
SPO A	155,200	
Park Ranger 1	71,197	
Park Ranger 2	79,540	
Park Ranger 3	86,204	
PO1	83,028	
PO2	98,048	
GSO 2	51,484	
GSO 3	54,504	
GSO 4	57,285	
GSO 5	61,055	
GSO 6	63,967	
GSO 7	69,330	
GSO 8	75,178	
GSO 9	82,532	
GSO 10	95,341	

The above calculations include administrative on-cost for new employees. If there is any additional admin on-costs that are relevant to the recurrent staff cost please include those expenses in Recurrent Supplier Cost tab.

***Administrative On-Cost**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Administrative Component (including items such as desktop IT items and support, accommodation, insurance, training etc)	$ 18,142	$ 18,469	$ 18,801	$ 19,183	$ 19,484
Corporate Component (Human Resource and Finance Services)	$ 2,448	$ 2,492	$ 2,537	$ 2,589	$ 2,629
Total Admin ON-Cost	$ 20,590	$ 20,961	$ 21,338	$ 21,772	$ 22,113

Current Agency	Current Premium Rate
Access Canberra	1.78%
Access Canberra (Core)	1.78%
ACT Audit Office	1.27%
ACT Electoral Commission	0.70%
ACT Government Executive	0.70%
ACT Health Directorate	2.00%
ACT Legislative Assembly	0.70%
ACT Long Service Leave Authority	1.34%
ACT Teacher Quality Institute	0.70%
ACTIA	1.26%
Building & Construction Industry Training Board	0.70%
Calvary Health Care	1.51%
Canberra Cemeteries	2.84%
Canberra Health Services	2.00%
Canberra Institute of Technology	2.20%
Capital Linen Service	2.54%
Chief Minister Stream	1.44%
Chief Minister, Treasury & Economic Development	1.41%
City Renewal Authority	1.27%
Community Services Directorate	2.71%
Cultural Facilities Corporation	2.60%
Economic Development	1.61%
Economic Development (Core)	1.22%
Education Cleaners	8.29%
Education Directorate	2.92%
Environment, Planning and Sustainable Development	1.66%
Gambling and Racing Commission Board	0.70%
Housing ACT	2.71%
Independent Competition and Regulatory Commission	0.70%
Integrity Commission	**2.37%**
Justice and Community Safety	3.24%
Legal Aid ACT	0.70%
Legislative Assembly Members Staff	0.70%
Major Projects Canberra	2.25%
Office of the Legislative Assembly	0.70%
Property Group	1.97%
Public Transport Operations	2.76%
Public Trustee and Guardian	1.36%
Shared Services	1.06%
Suburban Land Agency	1.28%
Transport Canberra and City Services Directorate	2.75%
Transport Canberra and City Services Other	2.76%
Treasury	1.24%
Treasury (core)	1.42%
University of Canberra	0.86%
WorkSafe ACT	1.41%
Yarralumla Nursery	2.63%

Asset	Class	Recommned Standard Useful Life	Actual U/L range	Asset Sub Class	FV Classification
Land	Land	no dep	no dep	2001	2
Land Improvements	Land	no dep	n/a	2002	2
Land Toilet	Land	no dep	no dep	2003	2
Land Forest	Land	no dep	n/a	2004	2
Land Restoration	Land Restoration	Various		3001	3
Buildings	Buildings	40		4001	3
Buildings - other	Buildings	Various		4004	3
Building Toilet	Buildings	40		4005	3
Building	Leasehold improvement	Various	5-20	5001	3
BBQ	P&E	15	15-100	6001	3
Bins	P&E	10	13-94	6002	3
Waste Wheelie Bins	P&E	10	10-101	6002	3
Bollard	P&E	30	30-123	6003	3
Boom	P&E	50		6004	3
Buoy	P&E	25	33-43	6005	3
Drinking Fountain	P&E	30	30-103	6006	3
Fitness Circuits	P&E	20	4-24	6007	3
Flagpole	P&E	30		6008	3
Mower	P&E	3		6009	2
P&E - Other	P&E	Various		6009	2/3
Playgrounds	P&E	20	20	6011	3
Seats	P&E	20	20-120	6012	3
Tables	P&E	20	20-120	6013	3
Water Tank	P&E	20		6014	3
Trailers	P&E	5	4-16	6015	2
Vehicles	P&E	3-5		6015	2
Library Materials	H&C	3.5	2-50	7001	3
Leased P&E	P&E Leased	Various		8001	3
Motor Vehicles - Leased	Motor Vehicles - Leased	Various		9001	3
Bridge	Infrastructure	100	100-125	10001	3
Driveway	Infrastructure	50	50-109	10002	3
Shopping Centre Pavement	Infrastructure	50	50-109	10003	3
Site Improvements	Infrastructure	25		10004	3
Road - Arterial	Infrastructure	75	75-113	10005	3
Road - Gravel	Infrastructure	40	40-106	10005	3
Road - Municipal	Infrastructure	90	90-116	10005	3
Barrier	Infrastructure	100	100-136	10006	3
Carpark - Bitumen, Concrete	Infrastructure	50	50-100	10007	3
Carpark - Gravel	Infrastructure	40	40-106	10007	3
Streetlight - Columns	Infrastructure	70	70-131.5	10008	3
Streetlight - inside Contactors	Infrastructure	50	50-77	10008	3
Streetlight - outside Contactors	Infrastructure	50	50-96	10008	3
Stormwater - all	Infrastructure	100	100-138	10009	3
Stormwater - Culverts	Infrastructure	80	80-115	10009	3
Traffic Signals set with Controller	Infrastructure	15	15	10010	3
Traffic Signals set withouth Controller	Infrastructure	35	35-54.6	10010	3
Community Paths	Infrastructure	40	40-107	10011	3
Waste Infrastructure	Infrastructure	Various		10012	3
Fence	Infrastructure	30	30-123	10013	3
Gate	Infrastructure	30	30-122	10014	3
Irrigation	Infrastructure	20	15-59	10015	3
Rockwall	Infrastructure	100	100-109	10016	3
Signs (PCL)	Infrastructure	10	10-100	10017	3
Signs (Roads)	Infrastructure	10	10-120	10017	3
Skate Park	Infrastructure	40	40	10018	3
Boat Ramp	Infrastructure	50	29-43	10019	3
Bridges and Boardwalks	Infrastructure	100	50	10020	3
Jetty	Infrastructure	50	50	10021	3
Other Infrastructure	Infrastructure	Various		10022	3
TV Transmitter	Infrastructure	5	2	10023	3
Retaining Wall	Infrastructure	100	100-109	10024	3
Bus Shelter	Infrastructure	40	40-107	10025	3
Bus Stops	Infrastructure	40	40-107	10025	3
Traffic Calming Measures - Plastic/Rubber speed Humps	Infrastructure	10		10026	3
Traffic Calming Measures - Concrete/Asphalt speed Humps	Infrastructure	20		10026	3
Beach	H&C	100	100	11001	3
Land (reserves)	H&C	no dep	no dep	11002	2
Water Feature	H&C	50		11003	3
Artwork	H&C	no dep	no dep	11004	3
Fountain	H&C	50	17-50	11005	3
Memorial	H&C	no dep	no dep	11006	3
Ground Improvements	H&C	Various		11007	3
H&C - Other	H&C	Various		11008	3
H&C - Building	H&C	Various		11009	3
H&C - Land	H&C	no dep	no dep	11010	2
Land Under Roads	H&C	no dep	no dep	11011	3
Sculptures	H&C	no dep	no dep	11012	3
Shelter (Parks)	H&C	30	7-57	11013	3
Urban Open Space (UOS)	H&C	no dep	no dep	11015	3
Software Internal	Software	5		12001	3
Software External	Software	5		12002	3

Instructions for Analysts (Finance Officers) reviewing costing for GBMS entry:

- Business Divisions preparing the business case are responsible for filling the Tabs 3-10 (where applicable)
- Tab 15 - 'GBMS Salary Split' reflects the split and apportionment of the Recurrent and Capital staffing costs, as input by business areas, into various employee expense account codes, as required for GBMS entries. It is formula driven and does not require any manual input.
- Tab 16 - 'GBMS Flatfile' draws data from various tabs through pre-filled formulas in order to organise information in the format suitable for GBMS entries.
- Analysts should pay close attention to depreciation columns in Tab 8, to ensure total project value has been accounted for and there are no duplication or omissions.
- When reviewing this costing for the purpose of GBMS entries, Analysts should check that balances in Tab 16 match to Recurrent and Capital Salary tabs. Amounts in Tab 16 must match to their source and account codes used must reflect the nature of the cost.
- It is also important for Analysts to check that totals of the Flatfile for GBMS entry align with the Summary tab amounts.
- Checks have been set up through out the template to ensure consistency of numbers across the tabs.

Salary Split for GBSM Entry

	Recurrent Salaries			
	[illegible]	[illegible]	[illegible]	[illegible]
Wages	544,805	554,339	565,426	576,734
LSL	5,029	5,117	5,219	5,324
AL	16,763	17,057	17,398	17,746
Comcare	9,044	9,202	9,386	9,574
Super	62,653	63,749	65,024	66,324
Oncosts	104,805	106,690	108,860	110,565
Total	[illegible]	[illegible]	[illegible]	[illegible]
Variance	0	0	[illegible]	0

Capitalised Salaries			
[illegible]	[illegible]	[illegible]	[illegible]
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

Recurrent	2021-22						2022-23						2023-24						2024-25					
Level	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt
[illegible]	[illegible]				1.00%		[illegible]				1.00%		[illegible]				1.00%		[illegible]				1.00%	

Capitalised	2021-22						2022-23						2023-24						2024-25					
Level	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt	Avg Salary	Include	FTE	Wages	W.C Rate	W.C Amt
[illegible]	[illegible]				1.00%		[illegible]				1.00%		[illegible]				1.00%		[illegible]				1.00%	

Recurrent Staffing Cost

Variation	Agency (i	Entity Se	Reason (i	Title	Description	Output Cl	Related C	Initiative C	Commonw	Account	Movemen	Internal Trading Segment (note 0 at front)	Estimated Outcome	Annual Budget	Forward Estimates 1	Forward Estimate 2	Forward Estimate 3
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	801101 - Controlled Recurrent Payments	999	015 - Territory Bank Account		743	756	771	786
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	601101 - Wages and Salaries	999	099 - External Trading		545	554	565	577
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	601102 - Long Service Leave	999	099 - External Trading		5	5	5	5
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	601103 - Annual Leave Expense	999	099 - External Trading		17	17	17	18
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	601105 - Comcare Premiums	999	091 - Public Sector Workers Compensation Fund		9	9	9	10
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	602501 - Fund of Choice Superannuation - Approp Funded	999	099 - External Trading		63	64	65	66
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702101 - Supplies and Services	999	099 - External Trading		105	107	109	111
Recurrent Supplier Cost																	
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	801101 - Controlled Recurrent Payments	999	015 - Territory Bank Account		638	800	875	750
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702101 - Supplies and Services	999	099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702105 - Consultants, Contractors and Professional Services	999	099 - External Trading		625	675	750	675
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702115 - Staff Development and Recruitment	999	099 - External Trading		13	25	25	25
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702104 - Repairs and Maintenance	999	099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	706101 - Current Grant (Non ACT Government)	999	099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702110 - Communication and Computer Expenses	999	099 - External Trading		0	100	100	50
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702111 - Travel, Accommodation and Transport Expenses	999	099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	702113 - Material, Equipment and Supplies	999	099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	703311 - Other Expenses	999	099 - External Trading		0	0	0	0
Capital Staff and Supplier Costs																	
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	701101 - Depreciation	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	701102 - Amortisation	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201102 - Accumulated Depreciation - Buildings	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201302 - Accumulated Depreciation - Heritage and Communit	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201402 - Accumulated Depreciation - Infrastructure Assets	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201502 - Accumulated Depreciation - P & E	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201505 - Accumulated Depreciation - Leased P & E	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	203102 - Accumulated Amortisation - Capitalised Software	999	099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	206201 - Capital Work in Progress - NC	228	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	206201 - Capital Work in Progress - NC	228	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	402003 - Capital Injections	424	015 - Territory Banking Account		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201101 - Buildings	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201201 - Leasehold Improvements	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201301 - Heritage and Community Assets	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201401 - Infrastructure Assets	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201501 - Plant and Equipment	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201504 - Leased Plant and Equipment	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	201601 - Land	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	203101 - Capitalised Software	222	099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a W:	080 2 01	080 2 01	I000000	CW00000	203205 - Other Intangible Assets	222	099 - External Trading		0	0	0	0
														0	0	0	0

Forward E	Forward E	Forward E	Forward E	Forward E	Forward E	Forward E	Forward E	Forward E	Forward E	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachme	Attachment 10 Description

Check:				
Recurrent Staff Cost	-	-	-	-
Recurrent Supplier Cost	-	-	-	-
Capital Staff Cost	-	-	-	-
Capital Supplier Cost	-	-	-	-
Depreciation and amortisation	-	-	-	-
CRP	(928)	(1,727)	(1,754)	(1,780)
Capital Injection	-	-	-	-

Enter Initiative ID when known:

Initiative ID:	I000000
Cwth Initiative ID:	CW00000

Pro Rata
Manual

Enter Output Class	GBMS Account Code	Entity Code
01 Statutory Planning	080.1.01	1
02 Environment	080.2.01	2
03 Climate Change and Energy	080.5.01	5
04 Development and Implementation	080.4.01	4
05 Asbestos Response Taskforce	080.3.01	3
06 Planning and Urban Policy	080.6.01	6

Attachment G

Draft recommendations from the State of the Lakes and Waterways report (Commissioner for Sustainability and the Environment, May 2022)

The following recommendations are made in the draft report from the Commissioner for Sustainability and the Environment on the *State of the Lakes and Waterways in the ACT*. [The report is due to be provided to the Minister for the Environment by the end of May 2022 and scheduled for Cabinet on 6 June 2022].

1. Re-open water-relevant recommendations of statutory reports and continue to report against these (as identified in Tables 2.1 to 2.4 in section 2.4 and detailed below):

Summarised from ACT Auditor-General's 2018 Report on Acceptance of Stormwater Assets

Recommendation 5. Catchment-wide stormwater planning

EPSDD should identify options for conducting catchment-wide planning, and undertake analysis of stormwater needs, against which future development applications would be assessed. These options should be provided to the Minister for Planning and Land Management for consideration.

Recommendation 6. Consideration of stormwater solutions

EPSDD and TCCS, in consultation with the Suburban Land Agency (SLA), should develop a range of stormwater management solutions for new estates and subdivisions, in the context of a catchment-wide plan for the area, to ensure that the optimal solution and the means of financing it are adopted.

Recommendation 10. Development of performance indicators

EPSDD and TCCS should each develop performance measures for the achievement of ACT Government stormwater objectives, including the management of stormwater discharges. These should be publicly reported (for example, in the ACT Water Report).

Recommendation 15. Management of the existing stormwater network

TCCS should:

a) develop a preventative maintenance plan for stormwater assets, and

b) clearly identify problem areas with, and risks to, the stormwater network.

If required, appropriate remedial action should be recommended to the Minister for Transport and City Services.

Recommendation 16. Reducing damage to accepted assets[1]

[1] Accepted assets correspond to infrastructure that has been officially handed over from a private entity to the ACT Government. In this way, stormwater infrastructure built as part of new developments by private entities, becomes the responsibility of ACT Government once construction is complete.

A working group (including representatives from TCCS, EPSDD, the SLA, Access Canberra and other relevant entities) should be established to:

a) develop a coordinated multi-agency strategy to reduce the damage to accepted assets caused by building and other construction activity, and

b) report to the Minister for Planning and Land Management on actions to be taken, then subsequently the results of any actions undertaken.

Recommendation 17. Review and augmentation of existing stormwater infrastructure

TCCS should develop a forward program for the ongoing review of stormwater infrastructure in established areas of Canberra and augmentation of the infrastructure where necessary. The forward program should be provided to the Minister for Transport and City Services for consideration and direction.

Summarised from OCSE's 2012 Report on the state of the watercourses and catchments for Lake Burley Griffin

Recommendation 7. Strategic approach to WSUD

The ACT Government should develop a strategic approach to WSUD. This should include:

a) Identifying sites where installing catchment intervention, such as wetlands and pollution control ponds, would improve water quality entering urban lakes. This should include identifying WSUD that complement current programs of installing wetlands and water control ponds in both new urban areas and retrofitting in existing suburbs where applicable.

b) Ensuring that WSUD requirements are enforced, in particular:

i. ensuring that wetlands and ponds are of appropriate sizes to service their catchments, and

ii. undertaking auditing/compliance arrangements to ensure that temporary pollution control ponds for sediment control during the construction phase in new estates are maintained and functioning effectively.

c) Monitoring the effectiveness of WSUD through improved monitoring following urban developments to determine whether water quality meets WSUD general code targets. Results should be used to inform improvements in WSUD standards.

d) Comparison of ACT approaches to WSUD with those of other Australian urban areas to help ours remain consistent with developing technology and best practice.

e) Reviewing the efficacy of existing GPTs. The review should include:

i. effectiveness in pollutant reduction

ii. effectiveness of current maintenance of pollution control measures

iii. capital costs

iv. ongoing maintenance costs to ensure the current drainage infrastructure remains high-standard and is in line with current best practice, protecting downstream environments

v. reduction of polluted leachate water, and

vi. the capacity to manage requirements of future urban growth and development.

f) working with the NCA and NSW Councils in the catchment to coordinate a strategic approach across the catchment.

Recommendation 13. QSTP Environmental Authorisation update

The ACT Environment Protection Authority (EPA) review and update the Environmental Authorisation number 0417 for sewage treatment within the Queanbeyan City Council Sewage Treatment Plant to ensure that the treatment process results in discharge quality that matches contemporary best practise for a modern, urban sewerage treatment plant. In line with this, the QCCSTWP should continually review and improve its mitigating practises for inundation and washout events at the treatment plant.

2. Publish an annual detailed breakdown of how the Water Abstraction Charge revenue is expended.

Data, monitoring and reporting of urban lakes and waterways

3. Institute a long-term monitoring and reporting program (*in addition* to the invaluable information provided by Waterwatch), to comprehensively assess urban water quality, ecological condition, recreation and aesthetic values, management effectiveness, and the impacts of new suburb developments on water quality. This program should include
    - a review of urban water data collected and held across the ACT Government to identify data gaps, quality issues and data accessibility
    - the development of methodologies for assessing waterway condition against published urban water management outcomes, objectives and targets
    - the development of clear and consistent ecological condition standards, targets and indicators for urban waters to enable assessment of ecosystem health and management effectiveness. This should include all ponds, lakes, creeks and other running waters
    - strategies for improving collaboration and coordination across government and community urban water monitoring programs, and
    - provide adequate resourcing to maintain parallel monitoring undertaken by Waterwatch.

4. Establish and maintain a single point of truth for water quality in the ACT on a public online platform. This should
    - incorporate water quality monitoring data from all currently available sources including ACT Government, the NCA, universities (where accessible) and Waterwatch
    - include lake and river closure information, and pollution and blue-green algae reporting
    - provide the location of the recreational water quality report and the reporting framework for the assessment of aquatic ecosystem health and water quality described in Recommendations 28 and 29 in the 2019 ACT State of the Environment Report.

Incorporating Ngunnawal Knowledge into care of urban lakes and waterways

5. The ACT Government to formally recognise the cultural value of water held by the Ngunnawal people and further incorporate Ngunnawal practices into management of urban lakes and waterways.

On-ground management of urban lakes and waterways

6. Fund improvement of the performance of water quality control infrastructure, including through
    - maintenance of existing ponds, wetlands and gross pollutant traps
    - supporting activities for water quality (e.g. expanded street sweeping, appropriate disposal of organic matter and application of fertilisers in public places)
    - design and build new water quality control infrastructure in accordance with sub-catchment plans developed as part of Recommendation 8.

Management or governance of urban lakes and waterways

7. Implement a consolidated management framework for the urban waterways of the ACT. This should
    - take a catchment or sub-catchment approach, explicitly recognising the inter-connectedness of urban waterways, ponds and lakes, and their catchments
    - deal with management of both water flow and water quality, and
    - incorporate and enhance existing management planning and strategy documents, resolving inconsistencies and ensuring that objectives for urban waterway management are clearly defined.

8. The ACT Government to take responsibility for monitoring and management of water quality in Lake Burley Griffin, in recognition of the fact that it is the entity primarily responsible for management of the lake's catchment.

9. Strengthen community participation in water management through measures such as
    - providing secure, ongoing funding to community groups working on catchment management, water quality testing, ecological surveys and public education and engagement
    - expanding the use of deliberative democracy, and
    - establishing a formal mechanism for meaningful community involvement in the governance of the proposed Office of Water.

10. Reform Environmental Protection Authority's (EPA) approach to monitoring, compliance and enforcement relating to urban water conditions to re-focus on its core function of protecting the environment, including that the EPA
    - is sufficiently empowered and resourced to undertake compliance monitoring and enforcement of all environmental conditions and activities, including around erosion and sediment controls
    - monitor the effectiveness and compliance of water pollution control structures for new developments, including during the construction phase, to reduce stormwater impacts on lakes and rivers[2]

[2] Improved monitoring of developments was listed as a priority action in the Lake Burley Griffin Task Force, 2012, *Lake Burley Griffin Action Plan: A Healthier, Better Functioning Lake by 2030*. ACT Government, Canberra.

Mitigating emerging issues for urban lakes and waterways

11. Ensure that all new water-related policies, plans and strategies are underpinned by future climate change projections for the ACT.

12. The ACT Government to reform its approach to urban planning and future land development to ensure that stormwater management is preventative and proactive rather than remedial and reactive. This should include
    - Accepting that development should not occur in areas where analysis of soils, geology, hydrology and topography indicate that construction of water quality control infrastructure sufficient to preserve environmental targets would be practically or financially impossible, and
    - Focusing on sedimentation prevention, enforcement and compliance in development and construction, rather than resourcing urban water treatment assets, such as wetlands.

ACT Government

CABINET SUBMISSION

22/159

Title	Office of Water
Meeting type	Cabinet
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Tuesday, 24 May 2022
Status	FINAL
Relationship to previous decisions	None
Purpose	This submission advises Cabinet on a reform agenda for ACT water governance and recommends the establishment of an Office of Water to implement reforms.
Category	Category 1 - Government priorities
Financial impact	Yes
Treasury agreement	Yes Date provided for Treasury agreement to financial implications: 04/05/2022 Date of Treasury agreement 06/05/2022:
Is ERC consideration required?	Yes If yes, select ERC meeting date: Tuesday, 24 May 2022
Legislative change	No - change to legislation not required
Regulatory impact	No
Wellbeing Impact Assessment	Yes
Primary Wellbeing Domain	Environment and climate

RECOMMENDATIONS

1) I recommend that Cabinet agree to:

   a. the proposal to establish a new Office of Water within the Environment, Planning and Sustainable Development Directorate, consistent with the funding levels agreed by Expenditure Review Committee.

2) I recommend that Cabinet note:

   a. the Government's commitment to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy (Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly);

   b. that significant governance issues exist in the ACT water sector relating to capability and capacity, roles and responsibilities, and coordination, and that these issues are hindering delivery of water policy and planning functions and program implementation;

   c. the imminent release of the ACT Commissioner for Sustainability and Environment investigation into the 'State of Lakes and Waterways' which identifies the need for reform in water governance and policy, among other matters (draft recommendations by the Commissioner is provided at Attachment G);

   d. that establishing an Office of Water will implement priority (foundational) governance reforms, delivering new policy initiatives and assets to address strategic gaps; and

   e. that establishing an Office of Water with lesser scope and resourcing than which is recommended will not address the strategic risks that have been identified.

3) I recommend that Cabinet note:

   a. the advice to the Chief Minister on the release of the Cabinet Decision Summary (Attachment B) as required under Section 23 of the *Freedom of Information Act 2016*;

   b. the following summaries to be released:

      i. Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio of the Minister for Water.

      ii. A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate-resilient and water-secure city which continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Islander Agreement and the

National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

SUPPORTING ARGUMENT

BACKGROUND

1) The Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA) agrees an executive reform to 'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.

2) On 27 November 2019, the ACT Legislative Assembly passed a resolution on water security which called on the Government to:

    a. continue to implement and promote the ACT Water Strategy 2014-2044;

    b. hold consultations with water stakeholders and experts; and

    c. ensure climate change projections are considered in long-term planning and decision-making.

3) A water security workshop was held with a range of experts and stakeholders on 6-7 July 2020. Water governance was a recurring theme throughout the workshop, with general acknowledgement that a holistic governance structure was required to manage the region's future water security.

4) In response to the PAGA executive reform order, in 2021-22 Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on current issues impacting the water sector and potential solutions. The findings of the review are discussed further in the 'Issues' section below.

5) The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management, including monitoring, evaluation and reporting processes. The final report is due in May 2022 and is expected to critique the effectiveness of water planning and policy implementation, and adequacy of associated resourcing.

6) Climate change presents new challenges to the way that the ACT's water resources are managed and responding to these challenges requires effective governance arrangements. A 2021 climate change risk assessment by the ACT Office for Climate Action identified drought and drinking water supply as a high strategic risk for the ACT, and noted that these risks have interdependencies with other risks across the social, economic, natural environment, built environment and governance domains. The risk assessment recommended further embedding drought hazard modelling for future conditions in planning.

7) Analysis by Icon Water on changes to inflows into the ACT's water storages over the past 20 years indicates that climate impacts on our water resources are already occurring, decades earlier and

more pronounced than in the climate modelling used for the 2021 climate change risk assessment. Further modelling and analysis are needed to understand the full nature and extent of climate change impacts on the ACT's water supply and to plan appropriately for those impacts.

8) The ACT Government does not have an integrated water management plan in place. Addressing wastewater (including recycled water options) and alternative water supply options would support the ACT to become a more water-secure city in the context of climate change and a growing population. This includes implementing water sensitive urban design (WSUD) as an adaption response. The 2019 ACT State of the Environment report recommended identifying opportunities to further develop WSUD measures.

9) Climate change projections indicate that more frequent extreme flooding is expected in the ACT due to an increase in high intensity rainfall events, compounded by hard infrastructure from urban development. The ACT's Territory Wide Risk Assessment (2017), completed by the Justice and Community Safety Directorate – Emergency Services Agency (ESA), identified flash floods as a high risk to the ACT and the 2021 climate change risk assessment recommended further work to build flood resilience. In particular, the risk assessment highlighted the need to embed flood hazard modelling for current and future conditions in planning and to embed flood adaptation actions in a strategy for implementation. In contrast to other jurisdictions and national best practice, the ACT does not have a floodplain management entity or a strategic flood risk management plan in place. Flood management responsibility sits within the ESA while other water management responsibilities are within other parts of the government.

10) The ACT Government introduced the *Waterways: WSUD general code* into the Territory Plan in 2009 (latest revision effective February 2020). The code aims to encourage reduced use of mains water, improve water quality and manage stormwater flows in urban areas. Despite the code being in place for over ten years, results of recent water quality monitoring (Catchment Health Indicator Program reports, 2019 ACT State of the Environment report) suggest that implementation of WSUD in the ACT has been ineffective at delivering improved water quality for Canberra's urban lakes.

11) Recent reviews in 2020 and 2021 of WSUD application in the ACT have been undertaken by external experts for EPSDD and Transport Canberra and City Services. The reviews identified issues with WSUD application, including: a lack of compliance checks and performance monitoring (to ensure that WSUD measures are designed to code and are functioning as expected to meet the objectives of the policy); agency alignment/commitment to the policy; cross-agency governance arrangements to resolve issues; and dedicated staff in EPSDD with the knowledge and training in WSUD application to undertake regular compliance and review.

12) In 2018, the ACT Auditor-General delivered the performance audit report *Acceptance of Stormwater Assets*. The report found that stormwater asset management objectives (for example those set in the ACT Water Strategy) may not be met due to deficiencies in asset acceptance processes and the management of accepted stormwater assets. It noted the absence of catchment-wide stormwater planning, the need to better integrate traditional stormwater design

with sustainable WSUD, and the importance of ensuring an effective cross-agency approach is taken to the overall management of stormwater assets.

13) The ACT Auditor-General's report recommended that governance supporting the acceptance of stormwater assets needed to be improved through improvements in agencies' risk management and performance reporting, and updating of codes and standards that guide the design and development of assets (ACT Audit Office 2018). This work has not been substantially progressed since 2018 due to lack of clarity on decision-making for this issue and agency capacity.

14) The ACT Water Abstraction Charge (WAC) is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of the water resource (DI-2003-333, Explanatory Statement). The Australian Competition and Consumer Commission (ACCC) reports annually on regulated water charges and compliance with the Commonwealth Water Market and Water Charge Rules (ACCC Water Monitoring Report); the ACT WAC is subject to this annual report. For the 2020-21 period, the ACT Government reported that revenue collected from the WAC exceeded expenditure on eligible water management activities by $18.87 million. Significant variances have been reported annually since 2015. The Water Governance Review and the Commissioner's report into the state of the lakes and waterways in the ACT highlight significant under resourcing of water management activities.

15) By 2024, two policy reviews are scheduled to be undertaken that will help set the direction for the ACT water sector for the next ten years:

   a. ten-year review of the ACT Water Strategy 2014-44: Striking the Balance (ACT Water Strategy); and

   b. five-yearly review of the Water Resource Environmental Flows Guidelines 2019. The Environmental Flows Guidelines define environmental flows for the protection of aquatic ecosystems, as required by the ACT *Water Resources Act 2007*.

ISSUES & OPTIONS

Issues with current ACT water governance arrangements

16) The Water Governance Review identified chronic governance issues across the ACT water sector (Attachment D). The issues are summarised as:

   a. poorly defined roles and responsibilities;

   b. inadequate capacity (resourcing, skills, and information) and capability; and

   c. poor inter-agency coordination and decision-making on cross-sectoral issues.

17) ACT water resources are managed through responsibilities shared across multiple agencies and entities:

   a. Environment Protection Authority (EPA) in Access Canberra – regulation and enforcement;

b. Environment, Planning and Sustainable Development Directorate (EPSDD) – water policy (domestic and inter-jurisdictional), planning, science, program implementation, water efficiency and catchment management;

c. Chief Minister, Treasury and Economic Development Directorate (CMTEDD) – interjurisdictional relations, regional collaboration and development, water pricing;

d. Transport Canberra and City Services Directorate (TCCS) – own, manage stormwater assets, dam safety, service provider (inner north reticulation network);

e. Justice and Community Safety Directorate's (JACS) Emergency Services Agency (ESA) – flood management and response;

f. ACT Health Directorate – drinking water licencing, monitors recreational water quality;

g. National Capital Authority – management of water resources within Lake Burley Griffin; and,

h. Icon Water – ACT Government-owned water utility, water entitlement/licence holder.

18) Current agency water management responsibilities were mapped using stakeholder input through the Water Governance Review (Attachment E1). The mapping process revealed that there are poorly defined, fragmented and/or overlapping water roles and responsibilities across the sector. The map represents the views of stakeholders on responsibilities – which were conflicting on some areas – demonstrative of the lack or clarity in the sector. It is recommended that a 'trueing up' and validation is undertaken as a priority foundational reform action to help clarify roles and responsibilities and to investigate options to amend Administrative Arrangements that would better align core policy, planning, regulatory and service delivery responsibilities.

19) Poorly defined roles and responsibilities have contributed to uncertainty over ownership of cross-sectoral issues and led to poor collaboration and policy implementation. Without a defined approach and accountability to coordinate decision-making and responses on multi-stakeholder issues, there has been a lack of progress in developing timely responses. This has been particularly evident in, but not limited to, inter-jurisdictional matters, integrated water management planning, WSUD compliance and stormwater management.

20) The Water Governance Review also identified gaps and misalignment in the capacity (skills, funding and information) and capability of the sector with respect to implementation. This has hindered delivery of key outcomes and activities with the ACT Water Strategy.

Options for reform

Reform agenda

21) Resolving the extensive, entrenched issues requires a package of reform activities to redefine the future direction for the water sector, provide leadership and build capability for developing innovative solutions. A reform agenda has been developed through the Water Governance Review to address identified governance issues. The reform agenda is presented in Figure 1 of Attachment D. It contains six priority (foundational) reforms, as well as secondary reforms, which could be implemented in the future pending the outcome of the priority reforms. The reforms

were prioritised against criteria including effectiveness, alignment with the OECD Principles on Water Governance, costs/benefits, practicality of implementation, and level of sector interest/support.

22) Four of the six priority reforms address capacity (resourcing, skills and information) and capability issues. These reflect the extent of capacity and capability shortfalls across the sector and the importance of addressing them to genuinely enable the sector to deliver on outcomes, including the ACT Water Strategy.

Office of Water – established to implement reform agenda and lead on all water policy and planning in the ACT

23) The fragmented nature of water management has contributed significantly to chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management - allowing that the function of the Office provides the centralisation of policy and planning functions, has authority to drive improvement, and is adequately resourced to act.

24) EPSDD has followed a structured process to consider four different options to deliver the reform agenda and the Office of Water. These include:

a. Option 1 – no Office of Water but a coordination forum is established to work on minor governance improvements.

b. Option 2 – an Office of Water is established to provide assurance and play a coordination role in facilitating minor governance improvements.

c. Option 3 (recommended) – an Office of Water is established with responsibility to implement the full reform agenda and assume all water policy and planning functions.

d. Option 4 – a new central water agency is established with responsibility to implement the full reform agenda and assume wide-ranging functions (policy and planning, operational, program delivery, regulatory, some service delivery (Inner-North Reticulation Network).

25) The recommended model (Option 3) for delivering on these core aims is to establish an Office of Water located within EPSDD that leads the implementation of the full reform agenda (i.e., priority foundational reforms and secondary reforms as deemed appropriate pending the outcome of priority reforms). Initially, this model would adopt all water policy and planning functions from the EPSDD, plusthe transfer of relevant policy/planning functions from other agencies Policy and planning responsibilities not transferred to the Office of Water could be managed through a consultative forum, to be developed during the establishment phase of the Office. Water regulation, compliance and service delivery is not proposed to be transferred into the Office for Water.

26) The responsibilities that could be transferred into a centralised policy and planning agency may include: regional water management, water service planning, water accounting and reporting, for example.

27) The core aim of the proposed Office of Water is to help the sector better:

a. clarify (or reset) the vision, objectives and goals for the sector;

b. tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;

c. coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated, integrated approach;

d. investigate and resolve deeper issues of governance and structure; and

e. communicate with the public on ACT water resource management issues.

28) The Office would have responsibility to:

a. lead policy and planning for the ACT water sector, including regulatory setting (e.g. setting environmental authorisations for water quality issues);

b. implement the full package of governance reforms in consultation with relevant agencies;

c. undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;

d. provide the primary point of engagement with the ACT community on water sector issues; and

e. undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

29) In addition to delivering the reform agenda/activities and subject to funding, the Office would deliver the following:

a. review and refresh of the ACT Water Strategy 2014-44 Striking the Balance. (Feedback from the sector through the Water Governance Review indicated that the Strategy is difficult to operationalise and implement and that a re-set of the vision for the sector is warranted);

b. develop and implement a Ngunnawal Ngadjung Water Initiative to establish a framework for access to cultural and economic benefits from water including management of water entitlements;

c. develop a long-term Integrated Water Management Plan for water security and climate adaptation; and

d. establish a Water Information Hub to provide improved public access to up-to-date water information and reporting and support improved technical capability across government.

30) The recommended option was assessed as providing the most effective and efficient means by which to deliver against the PAGA commitment, existing policy and program commitments, the proposed package of reform activities and new initiatives (para 27).

31) Implementing an option with narrower scope and reduced resourcing than that proposed (e.g., Options 1 or 2) only provides for minor reforms to be implemented that will not comprehensively address the underlying governance issues or mitigate the strategic risks; preventing effective implementation of water policy and planning. Option 2 has been costed to at least deliver existing policy and programs. The proposed four key deliverables (para 27) would also not be achieved and/or would be delayed and more limited in scope. For example, Options 1 and 2 do not cost for delivery of the Water Information Hub, for providing improved public access to water information, generation of new hydrological information and undertake modelling to support planning for climate change adaptation and integrated water planning. This new hydrological information underpins a proposed framework for Ngunnawal water entitlements to support a cultural economy and improved transparency for the ACT public about water management and usage.

32) Failure to address underlying governance issues presents strategic risks to the ACT Government, and the recommended option aims to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability). There is reputational risk in the continuation of unresolved issues that could erode public confidence in the ability of Government to manage water resources effectively.

33) Following consideration of the Submission by Expenditure Review Committee (ERC), Directors-General met and have proposed a couple of immediate changes to functions as part of the establishment of the Office for Water at Attachment E2.

34) A draft staff structure is provided at Attachment E3. Discussions will continue across Government to try and match resources and accountabilities to functions.

FINANCIAL IMPACT

35) The Office of Water is proposed to operate for four years from July 2022 until June 2026. The continuation of the Office will be subject to an independent mid-term review in 2022 and funding for future years would be sought through a second budget bid for 2024-25 and 2025-26.

36) Subject to agreed funding level agreed by the ERC, the implementation of new initiatives such as the Water Information Hub and the Ngunnawal Ngadjung Water Initiative will be subject to separate funding business cases.

37) A detailed business case outlining the costs for the four options to establish the Office of Water is at Attachment F.

WELLBEING IMPACT SUMMARY

38) The Office of Water will have a positive impact on all ACT residents through the environment and climate, and governance and institutions wellbeing domains. It will improve governance of ACT water resources, with flow-on benefits for the environment (aquatic and riverine health) and community (social health and connection). The initiative will strengthen the ACT water sector's resilience to cope with projected impacts from climate change and support a growing population.

39) Public access to information will be improved through the creation of a Water Information Hub developed and housed by the Office of Water. This will provide increased transparency and accountability throughout the water sector and facilitate increased community participation in management of the ACT's water resources.

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External stakeholders

41) Icon Water was engaged in the development of the draft reform agenda and preferred model for the Office of Water through the Water Governance Review Advisory Group workshop process (October 2021-March 2022).

42) EPSDD Executive has presented the draft reform agenda and Office of Water to the Dhawura Ngunnawal Caring for Country Committee on 1 Feb 2022. EPSDD will work closely with the Committee and the United Ngunnawal Elders Council on the development and implementation of the Ngunnawal Ngadjung Water Initiative; a key deliverable for the Office of Water.

43) EPSDD has informed the ACT and Region Catchment Management Coordination Group about the draft reform agenda and proposed Office of Water on 30 March 2022. Relevant members of the Coordination Group have been involved in the Water Governance Review Advisory Group.

ACT Government agencies

44) Agencies with responsibilities for water management have provided input into the development of the draft reform agenda and model for the Office of Water through the Water Governance Review Advisory Group. Participating agencies were: CMTEDD (Treasury, Chief Minister, Access Canberra EPA); TCCS (Roads ACT and City Operations); JACS (ESA).

45) At a workshop of the Advisory Group there was a view put forward that the Office could be located in CMTEDD as a central agency – noting the diverse range of functions it would cover and its important coordination role. However, it is recommended that the Office is located in an agency (the EPSDD) that aligns with/has broader responsibilities for water management, and reports to the Minister for Water and the Legislative Assembly.

MEDIA/COMMUNICATIONS

46) It is proposed that a communications and engagement strategy is developed within the first three months of the Office's establishment given its key roles in water coordination and ensuring transparency and effective communication with key stakeholders and the ACT community.

47) Opportunities to announce the Office are being considered by EPSDD, for example during National Water Week in October, and a subsequent briefing will be provided.

IMPLEMENTATION

Table 2: **Implementation milestones and timeframes**

Milestones	Date to be completed[#]
Governance reform agenda – priority reforms	
1. Review of Administrative Arrangements to address alignment of core policy, planning, operational and regulatory functions	December 2022
2. Establish process for handling cross-cutting issues in the water sector	December 2022
3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of ACT Water Strategy	July 2023
4. Improve accountability and transparency for current funding arrangements	July 2024
5. Review and strengthen arrangements for sharing information between entities	July 2023
6. Review and strengthen arrangements for managing knowledge and sharing water information with the public	July 2023
Delivery of key policy initiatives and assets	
7. Development of a Ngunnawal Ngadjung Water Initiative (cultural water and entitlements)	July 2023
8. Refreshed Water Strategy in line with ten-year review	July 2023
9. Develop a Long-term Integrated Water Management Plan (Water Security Plan)	July 2024
10. Water Information Hub – information on quality, quantity, compliance, licencing, etc, accessible to public.	July 2024
Final completion date:	June 2026

Dates for milestone delivery will be confirmed through an annual work plan developed by the Office of Water.

HUMAN RIGHTS IMPACT

48) Nil.

Minister's signature _____ Date ___/___/_____

ATTACHMENTS

A	Table of Comments
B	Open Access Assessment: Cabinet Decision and Wellbeing Impact Assessment Summary
C	Wellbeing Impact Assessment
D	Report – ACT Water Governance Review (2022. Aither)
E1	Map – current governance arrangements
E2	Revised Structure for Office for Water
E3	Draft Staff Structure
F1-F5	Business Case EPSDD-E14
G	ACT Commissioner for Sustainability and Environment investigation into the state of lakes and waterways – draft recommendations

ACT Government

CABINET SUBMISSION

22/159

Title	Office of Water
Meeting type	Cabinet
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Tuesday, 24 May 2022
Status	FINAL
Relationship to previous decisions	None
Purpose	This submission advises Cabinet on a reform agenda for ACT water governance and recommends the establishment of an Office of Water to implement reforms.
Category	Category 1 - Government priorities
Financial impact	Yes
Treasury agreement	Yes Date provided for Treasury agreement to financial implications: 04/05/2022 Date of Treasury agreement 06/05/2022:
Is ERC consideration required?	Yes If yes, select ERC meeting date: Tuesday, 24 May 2022
Legislative change	No - change to legislation not required
Regulatory impact	No
Wellbeing Impact Assessment	Yes
Primary Wellbeing Domain	Environment and climate

RECOMMENDATIONS

1) I recommend that Cabinet agree to:

   a. the proposal to establish a new Office of Water within the Environment, Planning and Sustainable Development Directorate, consistent with the funding levels agreed by Expenditure Review Committee.

2) I recommend that Cabinet note:

   a. the Government's commitment to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy (Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly);

   b. that significant governance issues exist in the ACT water sector relating to capability and capacity, roles and responsibilities, and coordination, and that these issues are hindering delivery of water policy and planning functions and program implementation;

   c. the imminent release of the ACT Commissioner for Sustainability and Environment investigation into the 'State of Lakes and Waterways' which identifies the need for reform in water governance and policy, among other matters (draft recommendations by the Commissioner is provided at Attachment G);

   d. that establishing an Office of Water will implement priority (foundational) governance reforms, delivering new policy initiatives and assets to address strategic gaps; and

   e. that establishing an Office of Water with lesser scope and resourcing than which is recommended will not address the strategic risks that have been identified.

3) I recommend that Cabinet note:

   a. the advice to the Chief Minister on the release of the Cabinet Decision Summary (Attachment B) as required under Section 23 of the *Freedom of Information Act 2016*;

   b. the following summaries to be released:

      i. Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio of the Minister for Water.

      ii. A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate-resilient and water-secure city which continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Islander Agreement and the

National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

SUPPORTING ARGUMENT

BACKGROUND

1) The Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA) agrees an executive reform to 'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.

2) On 27 November 2019, the ACT Legislative Assembly passed a resolution on water security which called on the Government to:

    a. continue to implement and promote the ACT Water Strategy 2014-2044;

    b. hold consultations with water stakeholders and experts; and

    c. ensure climate change projections are considered in long-term planning and decision-making.

3) A water security workshop was held with a range of experts and stakeholders on 6-7 July 2020. Water governance was a recurring theme throughout the workshop, with general acknowledgement that a holistic governance structure was required to manage the region's future water security.

4) In response to the PAGA executive reform order, in 2021-22 Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on current issues impacting the water sector and potential solutions. The findings of the review are discussed further in the 'Issues' section below.

5) The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management, including monitoring, evaluation and reporting processes. The final report is due in May 2022 and is expected to critique the effectiveness of water planning and policy implementation, and adequacy of associated resourcing.

6) Climate change presents new challenges to the way that the ACT's water resources are managed and responding to these challenges requires effective governance arrangements. A 2021 climate change risk assessment by the ACT Office for Climate Action identified drought and drinking water supply as a high strategic risk for the ACT, and noted that these risks have interdependencies with other risks across the social, economic, natural environment, built environment and governance domains. The risk assessment recommended further embedding drought hazard modelling for future conditions in planning.

7) Analysis by Icon Water on changes to inflows into the ACT's water storages over the past 20 years indicates that climate impacts on our water resources are already occurring, decades earlier and

more pronounced than in the climate modelling used for the 2021 climate change risk assessment. Further modelling and analysis are needed to understand the full nature and extent of climate change impacts on the ACT's water supply and to plan appropriately for those impacts.

8) The ACT Government does not have an integrated water management plan in place. Addressing wastewater (including recycled water options) and alternative water supply options would support the ACT to become a more water-secure city in the context of climate change and a growing population. This includes implementing water sensitive urban design (WSUD) as an adaption response. The 2019 ACT State of the Environment report recommended identifying opportunities to further develop WSUD measures.

9) Climate change projections indicate that more frequent extreme flooding is expected in the ACT due to an increase in high intensity rainfall events, compounded by hard infrastructure from urban development. The ACT's Territory Wide Risk Assessment (2017), completed by the Justice and Community Safety Directorate – Emergency Services Agency (ESA), identified flash floods as a high risk to the ACT and the 2021 climate change risk assessment recommended further work to build flood resilience. In particular, the risk assessment highlighted the need to embed flood hazard modelling for current and future conditions in planning and to embed flood adaptation actions in a strategy for implementation. In contrast to other jurisdictions and national best practice, the ACT does not have a floodplain management entity or a strategic flood risk management plan in place. Flood management responsibility sits within the ESA while other water management responsibilities are within other parts of the government.

10) The ACT Government introduced the *Waterways: WSUD general code* into the Territory Plan in 2009 (latest revision effective February 2020). The code aims to encourage reduced use of mains water, improve water quality and manage stormwater flows in urban areas. Despite the code being in place for over ten years, results of recent water quality monitoring (Catchment Health Indicator Program reports, 2019 ACT State of the Environment report) suggest that implementation of WSUD in the ACT has been ineffective at delivering improved water quality for Canberra's urban lakes.

11) Recent reviews in 2020 and 2021 of WSUD application in the ACT have been undertaken by external experts for EPSDD and Transport Canberra and City Services. The reviews identified issues with WSUD application, including: a lack of compliance checks and performance monitoring (to ensure that WSUD measures are designed to code and are functioning as expected to meet the objectives of the policy); agency alignment/commitment to the policy; cross-agency governance arrangements to resolve issues; and dedicated staff in EPSDD with the knowledge and training in WSUD application to undertake regular compliance and review.

12) In 2018, the ACT Auditor-General delivered the performance audit report *Acceptance of Stormwater Assets*. The report found that stormwater asset management objectives (for example those set in the ACT Water Strategy) may not be met due to deficiencies in asset acceptance processes and the management of accepted stormwater assets. It noted the absence of catchment-wide stormwater planning, the need to better integrate traditional stormwater design

with sustainable WSUD, and the importance of ensuring an effective cross-agency approach is taken to the overall management of stormwater assets.

13) The ACT Auditor-General's report recommended that governance supporting the acceptance of stormwater assets needed to be improved through improvements in agencies' risk management and performance reporting, and updating of codes and standards that guide the design and development of assets (ACT Audit Office 2018). This work has not been substantially progressed since 2018 due to lack of clarity on decision-making for this issue and agency capacity.

14) The ACT Water Abstraction Charge (WAC) is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of the water resource (DI-2003-333, Explanatory Statement). The Australian Competition and Consumer Commission (ACCC) reports annually on regulated water charges and compliance with the Commonwealth Water Market and Water Charge Rules (ACCC Water Monitoring Report); the ACT WAC is subject to this annual report. For the 2020-21 period, the ACT Government reported that revenue collected from the WAC exceeded expenditure on eligible water management activities by $18.87 million. Significant variances have been reported annually since 2015. The Water Governance Review and the Commissioner's report into the state of the lakes and waterways in the ACT highlight significant under resourcing of water management activities.

15) By 2024, two policy reviews are scheduled to be undertaken that will help set the direction for the ACT water sector for the next ten years:

   a. ten-year review of the ACT Water Strategy 2014-44: Striking the Balance (ACT Water Strategy); and

   b. five-yearly review of the Water Resource Environmental Flows Guidelines 2019. The Environmental Flows Guidelines define environmental flows for the protection of aquatic ecosystems, as required by the ACT *Water Resources Act 2007*.

ISSUES & OPTIONS

Issues with current ACT water governance arrangements

16) The Water Governance Review identified chronic governance issues across the ACT water sector (Attachment D). The issues are summarised as:

   a. poorly defined roles and responsibilities;

   b. inadequate capacity (resourcing, skills, and information) and capability; and

   c. poor inter-agency coordination and decision-making on cross-sectoral issues.

17) ACT water resources are managed through responsibilities shared across multiple agencies and entities:

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19) Poorly defined roles and responsibilities have contributed to uncertainty over ownership of cross-sectoral issues and led to poor collaboration and policy implementation. Without a defined approach and accountability to coordinate decision-making and responses on multi-stakeholder issues, there has been a lack of progress in developing timely responses. This has been particularly evident in, but not limited to, inter-jurisdictional matters, integrated water management planning, WSUD compliance and stormwater management.

20) The Water Governance Review also identified gaps and misalignment in the capacity (skills, funding and information) and capability of the sector with respect to implementation. This has hindered delivery of key outcomes and activities with the ACT Water Strategy.

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25) The recommended model (Option 3) for delivering on these core aims is to establish an Office of Water located within EPSDD that leads the implementation of the full reform agenda (i.e., priority foundational reforms and secondary reforms as deemed appropriate pending the outcome of priority reforms). This model would adopt all water policy and planning functions from the EPSDD plus relevant policy/planning functions from other agencies, subject to review and further consultation. Water related responsibilities not transferred to the Office of Water (e.g., service delivery, regulation, relevant activities such as development planning) could be managed through a consultative forum, to be developed during the establishment phase of the Office.

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40) EPSDD has informed the ACT and Region Catchment Management Coordination Group about the draft reform agenda and proposed Office of Water on 30 March 2022. Relevant members of the Coordination Group have been involved in the Water Governance Review Advisory Group.

ACT Government agencies

41) Agencies with responsibilities for water management have provided input into the development of the draft reform agenda and model for the Office of Water through the Water Governance Review Advisory Group. Participating agencies were: CMTEDD (Treasury, Chief Minister, Access Canberra EPA); TCCS (Roads ACT and City Operations); JACS (ESA).

42) At a workshop of the Advisory Group there was a view put forward that the Office could be located in CMTEDD as a central agency – noting the diverse range of functions it would cover and its important coordination role. However, it is recommended that the Office is located in an agency (the EPSDD) that aligns with/has broader responsibilities for water management, and reports to the Minister for Water.

MEDIA/COMMUNICATIONS

43) It is proposed that a communications and engagement strategy is developed within the first three months of the Office's establishment given its key roles in water coordination and ensuring transparency and effective communication with key stakeholders and the ACT community.

44) Opportunities to announce the Office are being considered by EPSDD, for example during National Water Week in October, and a subsequent briefing will be provided.

IMPLEMENTATION

Table 2: **Implementation milestones and timeframes**

Milestones	Date to be completed[#]
Governance reform agenda – priority reforms	
1. Review of Administrative Arrangements to address alignment of core policy, planning, operational and regulatory functions	December 2022
2. Establish process for handling cross-cutting issues in the water sector	December 2022
3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of ACT Water Strategy	July 2023
4. Improve accountability and transparency for current funding arrangements	July 2024
5. Review and strengthen arrangements for sharing information between entities	July 2023
6. Review and strengthen arrangements for managing knowledge and sharing water information with the public	July 2023
Delivery of key policy initiatives and assets	
7. Development of a Ngunnawal Ngadjung Water Initiative (cultural water and entitlements)	July 2023
8. Refreshed Water Strategy in line with ten-year review	July 2023
9. Develop a Long-term Integrated Water Management Plan (Water Security Plan)	July 2024
10. Water Information Hub – information on quality, quantity, compliance, licencing, etc, accessible to public.	July 2024
Final completion date:	June 2026

Dates for milestone delivery will be confirmed through an annual work plan developed by the Office of Water.

HUMAN RIGHTS IMPACT

45) Nil.

Minister's signature _____ Date 17/5/22

ATTACHMENTS

A	Table of Comments
B	Open Access Assessment: Cabinet Decision and Wellbeing Impact Assessment Summary
C	Wellbeing Impact Assessment
D	Report – ACT Water Governance Review (2022. Aither)
E	Map – current governance arrangements
F1-F5	Business Case EPSDD-E14
G	ACT Commissioner for Sustainability and Environment investigation into the state of lakes and waterways – draft recommendations

F

ATTACHMENT A

EXPOSURE DRAFT COMMENTS – 22/159

Exposure circulation undertaken: Bypassed exposure circulation

Reason for exception: Critical timing to meet the 2022-23 Budget process timeframes.

Dates circulated: N/A

FINAL COMMENTS – 22/159

Final circulation undertaken: 2 day final circulation

Reason for exception: N/A

Dates circulated: 19 – 23 May 2022

Directorate	Comment	Response
CMTEDD	Supported subject to the following comments: • Treasury does not support Option 3, which would transfer a considerable range of expert advice from broader directorate and Ministerial perspectives, through seeking to merge all roles in one team and Minister. ○ Roles and responsibilities relating to the water sector currently span across multiple ministerial portfolios and agencies, and can have significant impacts on other areas of Government, for example: ▪ enforcement of environmental protection – Environment Protection Authority within	The submission does not propose transferring regulation and compliance functions associated with water allocation and trade from the EPA into the Office of Water. The Office of Water would have policy and planning functions to develop the trade framework and associated policies.

	CMTEDD (Access Canberra); ▪ stormwater asset management which – Roads Infrastructure and Maintenance within TCCS; ▪ monopoly and price regulation, fees and charges, funding of emergency water infrastructure, assistance schemes, Community Service Obligation Payments, concessions and rebates – Treasury; ▪ climate change – Office of Climate Action; ▪ planning, water security, healthy waterways – EPSDD. ○ This has facilitated engagement and collaboration between agencies to tackle water related issues. • Policy and Cabinet (PCD) notes that reviewing Administrative Arrangements to better align core water policy, planning, operational and regulatory functions is a priority reform item in the business case. As such, PCD recommends against transferring responsibilities for water that do not sit within EPSDD until such time that a review is carried out. ○ In particular, PCD notes sensitivities and broader considerations underpinning cross-border water supply and regional water management listed in the submission. PCD considers these matters, along with broader regional cross-border strategic policy and collaboration, should remain within the Chief Minister's portfolio. ○ It is noted the business case proposes a delegation instrument be used to define initial responsibility	

	assigned to the Head of the Office of Water in the interim period. PCD considers this should not include any responsibilities that do not currently sit under the remit of the Minister for Water. • Access Canberra has identified an issue that warrants clarification around proposed structural changes for the Office of Water that may be inconsistent with National Water Initiative principles: ○ Paragraph 26 of the submission states: 'the responsibilities proposed to be transferred into a centralised policy and planning agency may include: cross border water supply and regional water management, water allocation and trade, water service planning, water accounting and reporting for example.' Page 11 of the submission further references "…delivery of water trading" under potential responsibilities for the Office. Notwithstanding most of those responsibilities already sit within EPSDD – the mention of water allocation and trade being transferred is concerning. Water allocation and trade currently sits within the regulatory function of the Environment Protection Authority (EPA). The transfer of that function to a policy and planning area is not aligned with National Water Initiative principles and such an arrangement – as was in place in NSW prior to a restructure – was identified in the recent Murray Darling Basin Authority (MDBA) water theft investigations as being a contributor to poor governance & accountability issues leading to improper water allocations. During the MDBA investigations, the	

	current ACT arrangements for water allocation and trade were not identified as having issues. ○ Model 3 for the Office of Water does not appear to recommend transfer of the role of water allocation and trade, rather it simply mentions transfer of some planning functions currently with EPA (perhaps planning referrals?). Therefore this appears to also be going beyond the Aither Report recommendations. • Accordingly, CMTEDD (representing PCD, Treasury and Access Canberra) recommends the cabinet submission clarifies that the proposed structure of the Office of Water does not seek to modify existing regulatory functions of the EPA around water allocation and trade, or reduce the regulatory capacity of the EPA by transferring any of its limited resources to the proposed Office of Water. Any removal of existing resources from the EPA will reduce its capacity to uphold various regulatory protections. • CMTEDD supports the approach of Option 2, which would apply the model successfully implemented by the Office of Climate Action, in coordinating the implementation of Government priorities, with the input and engagement of other directorates. • The establishment of an Office of Water, through Option 2, is likely to improve inter-agency coordination, noting various agencies have responsibilities and contributions into water policy.	
JACS	Supported.	
HD	Supported.	

CHS	Supported.	
EDU	Supported.	
TCCS	Supported.	
CSD	Supported.	
MPC	Supported.	
Statutory Office Holder	Supported.	

FINAL (POST-ERC) COMMENTS – 22/159

Final circulation undertaken: 2 day final circulation

Reason for exception: N/A

Dates circulated: Provide dates circulated

Directorate	Comment	Response
CMTEDD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
JACS	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
HD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
CHS	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
EDU	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
TCCS	Choose an item. [Provide comments.]	[Drafting directorate to provide response]

CSD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
EPSD	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
MPC	Choose an item. [Provide comments.]	[Drafting directorate to provide response]
Statutory Office Holder	Choose an item. [Provide comments.]	[Drafting directorate to provide response]

ATTACHMENT B

OPEN ACCESS ASSESSMENT: CABINET DECISION AND WELLBEING IMPACT ASSESSMENT SUMMARY

The Chief Minister must proactively release the information described in section 23 of the *Freedom of Information Act 2016* (the FOI Act) unless the information is contrary to the public interest in accordance with sections 16 and 17, and schedules 1 and 2 of the FOI Act. Please refer to the Cabinet Sharepoint Site for further guidance on what is within the scope of Open Access requirements.

If you believe that release of this information is within the scope of Open Access requirements and would be contrary to the public interest, please complete Part B.

PART A: Release proposed

Number and title of decision: **22/159 – Office of Water**

Proposed summary of the decision for public release
Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio for the Minister for Water.

Proposed summary of the Wellbeing Impact Assessment for public release
A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate resilient and water secure city that continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Island Agreement and the National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

Attachments for release

Summary of the decision	**Release through the Open Access website?**	**Release by Directorate?**
Summary of the decision	Yes	
Attachment A Table of final agency comments		
Attachment B Open Access Assessment – Decision Summary		
Attachment C Wellbeing Impact Assessment	Yes	No
Attachment D Report – ACT Water Governance Review 2022	No	No
Attachment E Map of current ACT Government arrangements, revised structure and draft staff structure.	No	No
Attachment F Business Case	No	No

CABINET

WELLBEING IMPACT ASSESSMENT

Office of Water – Building a water secure city | **EPSDD** | **Wellbeing Impact 1**

Purpose of proposal

This proposal seeks to establish a new Office of Water located within EPSDD. The Office will lead the implementation of a package of reforms to improve water management in the ACT and drive strategic policy development. Improved governance is necessary to support a more efficient, effective and coordinated approach to water management in the ACT and region, and to equip the ACT Government to respond to the challenges posed to water security by a growing population and a changing climate.

Impact description

Holistic water management is essential for supporting a resilient and water secure city: for ACT residents to continue to access affordable, clean drinking water and to enjoy the many values (aesthetic, recreational, tourism, sporting, cultural and ecological) provided by the ACT's rivers and lakes.

The proposal will have a major positive impact through increased public confidence in the ACT Government's effective management of water resources, with benefits for the environment (aquatic and riverine health) and community (social health and cultural connection) through more effective program delivery and implementation. Improving water governance will provide a water sector that is resilient and responsive to climate change and population growth.

Improving public access to water information, as proposed, provides improved transparency and accountability of Government and opportunity for community participation in water resource management. This will contribute to a community that is better informed on water issues and increased trust in Government.

The proposal will have a positive impact on the wellbeing of Aboriginal and Torres Strait Islander Peoples through the development and delivery of a new 'Ngunnawal Ngadjung Water Initiative'. The Initiative aims to support increased participation of Ngunnawal people in water management and promote their stronger access to water for cultural use and economic opportunities.

Who is affected?

This proposal will contribute to improved wellbeing for all residents of Canberra and the surrounding region related to:

- the use of ACT's lakes and waterways for water consumption, recreation, cultural and aesthetic purposes;
- economic investment in urban development and industry; and
- a climate resilient and water secure city.

The wellbeing of some elements of the community will benefit more from the proposal, specifically:

- Ngunnawal people who will have increased opportunities for participation in water management and water access (through development of a Ngunnawal Ngadjung Water Initiative led by the Office);
- ACT residents seeking a climate resilient, water secure city;
- environmental advocates and recreational enthusiasts concerned for the health of ACT lakes and waterways; and
- water utilities and industry seeking confidence to invest in new water infrastructure.

Wellbeing domain

Environment and climate

The primary wellbeing domains impacted by this proposal are **environment and climate** and **governance and institutions.** However, because of the integral value of water to the ACT community there are also secondary impacts on the domains of health, economy and social connection.

WELLBEING IMPACT ASSESSMENT

Timeframe

Table 1.

Benefit	Timeframe for impact
Greater participation of Ngunnawal people in water management	1 year
Stronger ACT water governance arrangements in place	1-3 years
More informed public about how ACT water resources are managed	1-5 years
Increased trust by public in institutions/ACT Government's water management	3-5 years
ACT residents have access to cleaner lakes and waterways	5 years - decades
Improved outcomes for aquatic health of lakes and waterways	5 years -decades
Increased long term water security / security of supply	5 years - decades

Evidence base and data

What do we know now?

Scientific monitoring of catchment condition and water quality, and reviews of policy and policy implementation highlight significant issues resulting from the current governance arrangements intended to support the management of ACT waterways and water resources. Together they present a strong case for reform.

The ACT Whole of Government Climate Change Risk Assessment identifies several water-related issues as priority climate change risks for the ACT:

- water storage impacts and reduction of drinking water supply
- reduction in water quality affecting freshwater ecosystems
- reducing stability of alpine and subalpine environments.

The risk assessment notes that these risks have multiple interdependencies with other risks across other social, economy, built environment, natural environment, and governance domains. (ACT Government/AECOM Findings Webinar. Feb 2022).

Icon Water (2021. Report on the Survey of the ACT Drinking Water Catchment 2019-21) presents analysis of the change in inflows into the ACT 's water storages over the last 20 years. This analysis indicates that climate impacts on our water resources are occurring now, decades earlier and more pronounced than in the climate modelling used for the adaptation risk assessment. In addition to the reduction in water availability, the resultant effect of the changing climate is also evident in the declining water quality, increased temperatures and more frequent extreme weather events.

The Catchment Health Indicator Program (CHIP) collects data across the upper Murrumbidgee catchment. Over the period 2019-2020, approximately 59% of reaches across the upper Murrumbidgee catchment fell into the fair or poor range. For the 15 reaches of Ginninderra Creek catchment, where over 42% of ACT residents live, only one reach was classified in 'good' condition, with the remaining classified as fair (12) and poor (2). (CHIP reports 2019-2020)

The Office of the Commissioner for Sustainability and the Environment (OCSE) is concluding a review into the effectiveness of the ACT Government's management of Canberra's urban lakes and waterways. The final report is due in May 2022, however, early findings highlight many systemic problems impacting ACT waterways and resulting in high turbidity, algal blooms, untreated stormwater impacts, and poor policy implementation (e.g., water sensitive urban design) (Alluvium 2021, ACT Waterways Policy Review).

EPSDD led a review into water governance in 2020-21 which identified multiple, broad-ranging governance issues impacting the ACT water sector. If left unaddressed, these issues threaten to undermine the ability of the ACT government to effectively manage the ACT's water resources into the future. Issues relate to poorly defined roles and responsibilities across different agencies, inadequate capability and capacity of agency staff and poor cross-sectoral coordination. The review also highlighted key policy gaps, for example in long-term water planning for water security.

A long-term integrated water management plan (IWMP) is proposed to ensure we are a climate resilient and water secure city into the future. The ACT's population is projected to increase to 700,000 people by 2058 that will place greater pressure on the available water resources. Managing these multiple pressures relies on effective governance structures.

In June 2020 an expert stakeholder water security workshop was held in response to a 2019 ACT Legislative Assembly resolution on water security. The workshop underscored the need to develop a long-term plan for water security, and participants acknowledged that a more holistic governance structure was needed to manage the region's future water security.

WELLBEING IMPACT ASSESSMENT

Through the EPSDD-led water governance review, the Dhawura Ngunnawal Caring for Country Committee shared their perspectives on some of the barriers preventing stronger and more meaningful participation of Ngunnawal people in setting the vision for the sector and participating in water management decisions. They are encouraged by the direction and scale of proposed changes and are keen to continue the conversation with the ACT Government on how the Office and Ngunnawal Ngadjung Water Initiative can help remove these barriers.

What do we need to know?

The data needed to measure wellbeing impact is set out in the section below on 'accountability and evaluation'. The proposal includes a workplan to identify what new data and modelling needed to monitor and evaluate water quality outcomes.

Accountability and evaluation – how will we know this proposal has been successful?

The reviews and investigations described above provide a strong basis for institutional reform. It is proposed that a formal, independent review of the delivery of the proposal (Office of Water) occurs in year three of the Office's establishment. This review would assess:

- successful establishment of the Office
- delivery of reform agenda
- delivery of policy initiatives (e.g., Ngunnawal Ngadjung Water Initiative, refreshed Water Strategy, a long-term Integrated Water Management Plan for water security)
- delivery of the Water Information Hub asset
- early indications that the reforms and new policy development is translating to benefits in the wellbeing domains of environment and climate, and governance and institutions.

An early-stage evaluation plan is being developed by the Water Policy team, including indicators to better understand changes to governance, public awareness on water issues, public confidence in having a say on water issues, and riparian/aquatic outcomes.

An evaluation framework would be developed within the first six months of the Office's establishment to form the basis of the mid-term review and set out the performance metrics for annual reporting. Annual reporting could relate to the National Performance Reporting indicators and the revised ACT Water Strategy.

Key relationships

Water sector representatives have provided input to the development of the proposed Office of Water and package of priority reform activities through the EPSDD water governance review. Agencies included in the Review Advisory Group include:

- CMTEDD (Chief Minister, Treasury, Utilities Technical Regulator)
- Access Canberra (EPA)
- TCCS (City Operations and Roads ACT)
- Icon Water.

These stakeholders broadly agree on the nature and extent of issues around water governance in the ACT, the need for urgent major reforms and the merits of establishing an Office of Water to deliver the improvements.

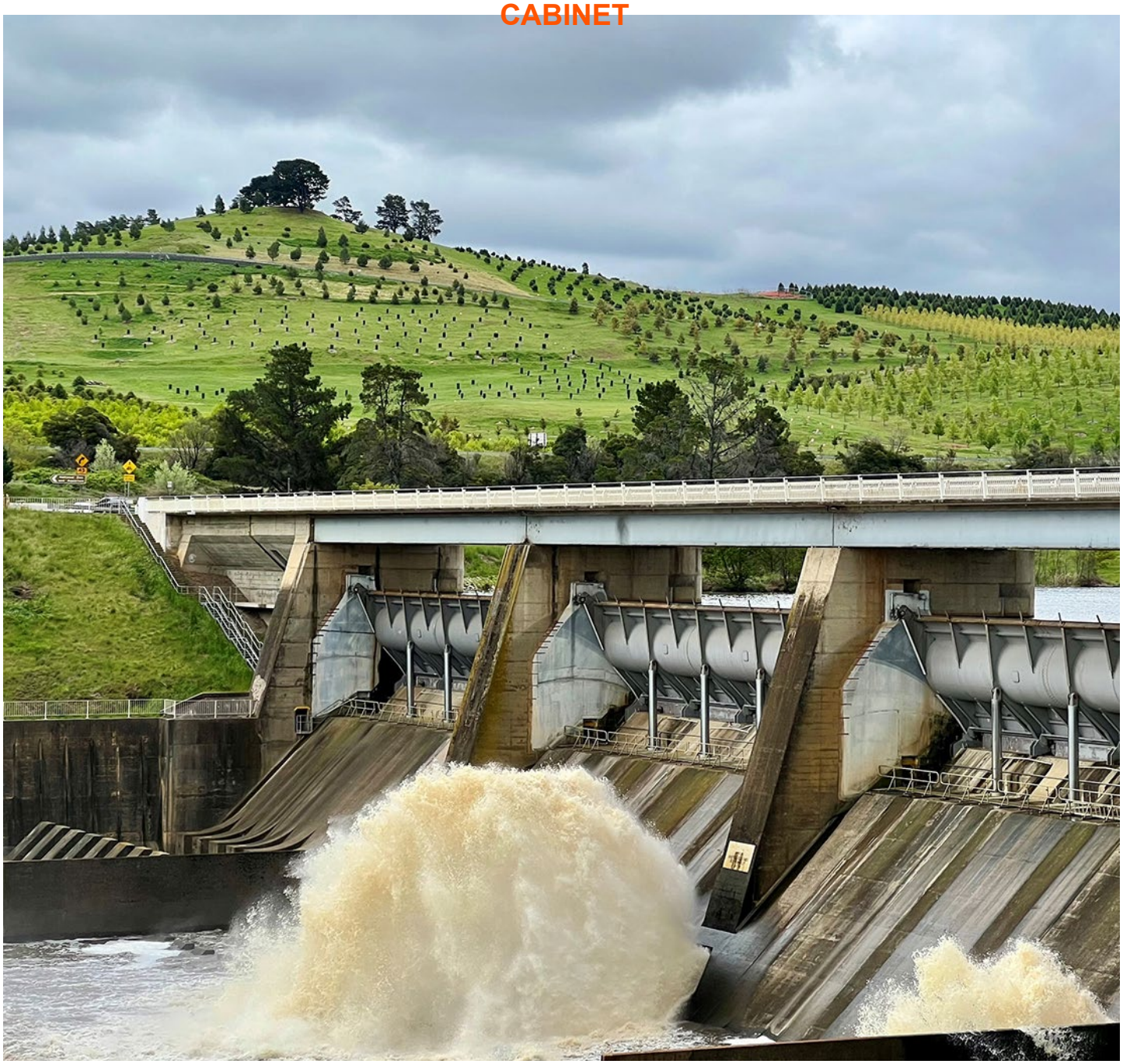
ACT Health and ESA have been consulted on the review and are supportive of the approach.

The Dhawura Ngunnawal Caring for Country Committee have been consulted on the proposed approach and wish to continue regular conversations with EPSDD as the proposal progresses.

Consultation with additional external stakeholders would occur subject to budget and Cabinet approval, including:

- ACT and Region Catchment Management Coordination Group (CMCG);
- Independent Competition and Regulatory Commission;
- National Capital Authority;
- Interested community groups/public.

Public consultation will occur in line with a communications strategy to be developed within the first six months of the Office's operation. Key messages and high-level approach to communications is described further in the business case (section 8 Communications).



ACT Water Governance Review - Stage Two

Final Reform Options and Implementation Guidance

A confidential Final Report prepared for ACT Government Environment, Planning and Sustainable Development Directorate

11 March 2022

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Acknowledgment of Country

Aither acknowledges Aboriginal and Torres Strait Islander people as the First Peoples of Australia and the Traditional Custodians of its lands and waters. We pay respect to the deep connection Aboriginal and Torres Strait Islander people hold with Country and celebrate the continuing effect of cultural knowledge and practices on Country and communities across Australia.

We pay our respect to Elders past and present, whose knowledge and leadership has protected Country and allowed Aboriginal spirituality, culture and kinship to endure through the ages.

We recognise the injustices and hardship faced by Aboriginal communities and reflect on opportunities for all Australians to play a part in reconciliation and the development of mutual understanding and respect across cultures.

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1. Overview

1.1. What is this report about?

This Final Reform Options and Implementation Guidance report is the final project report from the ACT Water Governance Review - Stage Two project.

1.1.1. The Stage Two project identifies a preferred model for the Office of Water and guidance for implementing priority reforms

The ACT Labor and ACT Greens Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly identifies an executive reform "to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy".

The ACT Government Environment, Planning and Sustainable Development Directorate (EPSDD) is leading the *Review of water governance in the ACT project* (the review), which aims to deliver on this executive reform order through a structured review process and in collaboration with ACT water management agencies. Its objective is to establish improved water governance arrangements for the ACT which are effective for improving the health of Canberra's waterways and instilling public confidence in the Government's approach to water resource management.

Stage One of the review[1] canvassed stakeholder views on strengths and issues with current governance arrangements. Stage Two identifies a preferred model for an Office of Water (OoW), and a recommended package of priority reforms for the OoW to implement. The scope of the project being to:

- confirm the vision for reform
- identify priority governance reforms
- develop, refine, and assess different models for the OoW
- recommend a preferred model for the OoW and governance reform agenda.

The EPSDD engaged Aither to run a structured process to deliver the above objective and scope for Stage Two. An Advisory Group was engaged to provide strategic advice, reflect stakeholder views and support activities on content and technical matters. The Advisory Group met five times over six months and also provided out-of-session input.

This Final Reform Options and Implementation Guidance report presents the final reform agenda and preferred model for the OoW, including an assessment of different models and a high-level implementation plan for the preferred model.

[1] Aither 2021, *ACT water governance review: Scoping paper on current issues and potential improvements.*

1.1.2. How is this report structured?

- **Section 2: A reform agenda for ACT Water governance** outlines the key issues and opportunities for the sector and the specific reform options shortlisted in response.
- **Section 3: A model for implementing reforms** including assessment of different models considered.
- **Section 4: A pathway for implementation** containing high-level guidance on implementation requirements.

The proposed ACT water governance reform package

The proposed ACT water governance reform package comprises a suite of governance reforms designed to: improve coordination; more clearly define roles, responsibilities and accountabilities; and lift the capacity and capability of the ACT water sector. It includes establishment of a new Office of Water (OoW) as well as a number of specific reform activities.

The preferred model for the Office of Water

The preferred model for delivering water governance reforms in the ACT is to establish an OoW that leads the implementation of governance reforms. The preferred model would also have the capacity to assume water policy and planning functions from EPSDD (plus relevant functions from other agencies), as informed by implementation of the governance reform options and alignment with principles of good governance.

Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW and with respective agencies. Exactly which policy and planning functions sit in the OoW is yet to be determined and requires further engagement and consideration of outcomes from other governance reforms.

The OoW would be established to:

- Lead the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms.
- Assume responsibility, where appropriate and consistent with governance reform priorities and principles of good governance, for selected water policy and planning functions and new policy priorities
- Chair the new inter-agency senior-executive forum, if established, to provide advice to the Office to inform policy development and support coordination and facilitation between agencies on cross-cutting issues.
- Undertake monitoring and reporting to government on the implementation of governance reform priorities as well as water plans, policies and strategies.
- Provide the primary point of engagement with ACT community on water sector issues.
- Facilitate information requests by the government and the public.

Reform agenda - foundational, secondary and priority focus area reforms

The priority, foundational reforms to be implemented by the OoW are:

- Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions.
- Establish a process for decision and policy making for cross-cutting water sector issues.
- Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies.
- Improve accountability and transparency for current funding arrangements.
- Review and strengthen information-sharing arrangements between water sector entities.
- Review current arrangements for collecting, managing and sharing water information with the public.

The secondary reforms to be considered by the OoW are:

- End to end regulatory review of core water management legislation
- Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination.
- Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities.
- Build capability and capacity through learning and development.
- Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector).

The following new policy areas were identified to be implemented by the OoW alongside the governance reform:

- Refresh of the ACT Water Strategy 2014-2044: Striking the Balance.
- Develop and implement a Ngunnawal Ngadjung Water Initiative.
- Develop a long-term Integrated Water Management Plan.
- Establish a Water Information Hub.

2. A reform agenda for ACT Water governance

2.1. Problem statement

For the ACT water sector to best serve its customers, community and the environment, it requires robust governance arrangements which help achieve a clearly defined vision and objectives. While this report focuses on areas in which the ACT water sector can improve governance arrangements, several governance related strengths are also identified through this project and the earlier *ACT Water Governance Review Stage 1* report. These strengths provide a good foundation for the governance improvements set out in this section, and include:

- The water sector generally operates in alignment with best practice institutional arrangements, with structural separation of water resource management, regulation and service delivery as called for in the 2004 *Intergovernmental Agreement on a National Water Initiative (NWI)*.
- There are strong and effective working relationships between stakeholders, agencies and staff which helped secure ACT water security and improve water quality in the catchment over the last decade.
- The *ACT Water Strategy 2014-2044* includes the key components of a contemporary rendering of *NWI* consistent water outcomes.

These are considerable strengths and suggest the sector is primed to rise to the challenges at hand and make significant improvements. There is a high degree of interest in this work and a desire from stakeholders to be involved in owning and driving solutions. This should be factored into any next steps and seen as an opportunity to build capacity and capability across the sector through working collectively on addressing issues.

The Stage 2 review identified several cross-cutting governance issues and reform priorities and opportunities to improve performance of the sector. These can be summarised as:

- roles, responsibilities and accountabilities can be better defined
- inter-agency coordination and decision making on shared issues can be improved, and
- capability and capacity in terms of skills, funding and information need building and better alignment.

A short description of the identified governance issues, aligned with each of these categories, is provided in sections 2.1.1 – 2.1.3 below.

Improving governance arrangements will help achieve desired outcomes from water policy and management. It will ensure clear roles and responsibilities, effective relationships, clear direction setting and decision-making, and improved public confidence and accountability. Overall, it will strengthen the sector and improve its capacity to deal with change and service the ACT community and environment into the future.

2.1.1. Roles, responsibilities and accountabilities can be better defined

Water sector roles and responsibilities are poorly defined and/or misunderstood (for example, in relation to progressing policy and responses to regional water security, or regional water service augmentation). There are also examples where current administrative arrangements distribute accountability for outcomes across multiple ministers and agencies (such as for oversight of environmental protection, catchment management, and water quality). This makes it difficult to coordinate strategic or holistic responses to issues due to the number of entities involved. These issues lead to:

- lack of clarity about core outcomes and activities
- duplication and fragmentation of roles and responsibilities
- gaps in roles and responsibilities (not performed)
- difficulty assuring performance and outcomes and managing risks
- poor visibility across outcomes
- ineffective decision-making and coordination
- difficulty implementing strategic responses
- insufficient or misaligned capability and capacity.

2.1.2. Inter-agency coordination and decision making on shared issues can be improved

Inter-agency coordination and decision-making on shared issues is currently not effective to best plan and manage for the ACT's water future. There is no defined approach across the ACT water sector for raising issues, coordinating decision making and responses, or addressing trade-offs when it comes to multi-stakeholder issues and integrated water management. This also extends to inter-jurisdictional decision making. These issues lead to:

- imperfect information / narrow stakeholder perspectives in decision making
- inefficient decision making / lack of consensus
- delayed / stalled progress on implementing key actions in the ACT Water Strategy and other shared issues
- a breakdown in communication to internal and external stakeholders as to how these issues are being considered and resolved.

2.1.3. Capability and capacity need building and better alignment

There are gaps and misalignment in the capability and capacity (in terms of the quantity and quality of human, financial, and information resources) required to implement roles and responsibilities across the sector. This prevents effective delivery of key outcomes and activities within the ACT Water Strategy and cross-cutting initiatives. This is hindered by unclear and fragmented roles, responsibilities and accountabilities. These issues lead to:

- gaps in key skill sets to support policy development and decision making
- reduced ability to attract and retain suitably qualified staff

- lack of sharing of resources and information, and availability of information for decision making
- funding allocation and prioritisation that does not appropriately support desired outcomes
- poor retention of institutional knowledge in the medium to long-term
- duplication of some monitoring and reporting (cost)
- gaps in some monitoring and reporting.

2.2. Solutions to address the issues

A number of options were identified to address the priority overarching governance issues summarised above. A long list of possible solutions were identified by comparing governance issues with the OECD Principles on Water Governance to identify changes required to better align with best practice.

The long list of solutions was then tested with the project Advisory Group during workshop 3. Solutions were presented for each issue area in response to the key breakages that were identified, as set out above (sections 2.1.1 - 2.1.3). Following the workshop obviously unviable options were eliminated. Aither then described the scope of the remaining options in greater detail, including the:

- purpose
- scope of the work
- change required to deliver the option
- indicative resourcing and costs
- timeframe
- interdependencies and sequencies with other options, and
- OECD principles the option would address.

2.3. Assessment

The detailed solution scopes were assessed against criteria to determine which solutions are best suited to address the identified governance issues. The assessment criteria included:

- **Effectiveness:** Is the solution likely to solve the issues (in terms of overarching governance issues and focus areas)?
- **Alignment with principles:** How does the solution align with principles of good water governance?
- **Alignment with desired objectives:** Does the solution contribute to the vision for the ACT water sector?
- **Criticality:** How material is the issue and solution?
- **Costs/ benefits:** What are the likely qualitative costs and benefits?
- **Practicality of implementation:** How practical is the solution to implement (considering required changes)?
- **Level of sector interest/ support**: What is the level of sector interest or support as expressed through the project?

- **Linkages with other options:** Does the option reinforce or support the implementation of other important improvements? Does the option duplicate or undermine other options?

The assessment was informed by review of relevant literature, policy and legislation for the ACT water sector. The assessment was then tested with the Advisory Group to confirm the analysis and the draft reform agenda.

A summary of the assessment of each solution against the above criteria, as discussed with the Advisory Group in workshop 4 is included in Appendix A - . The final priority foundational reforms and secondary reforms selected to be progressed are set out in section 2.4 below.

2.4. Reforms required to improve governance

The assessment of solutions identified several cross-cutting reform priorities and opportunities to improve performance of the sector (Figure 1). The reforms can be categorised into three groups:

- clarifying roles, responsibilities, and accountabilities
- improving coordination and collaboration, and
- addressing capability and capacity gaps.

The reform priorities were further separated into priority foundational reforms and secondary reforms. Priority focus areas, where the sector could achieve significant uplift in policy or outcomes, were also identified. These are described below.

The reforms are proposed to be implemented by an OoW according to the assumptions for each OoW model described in section 3.

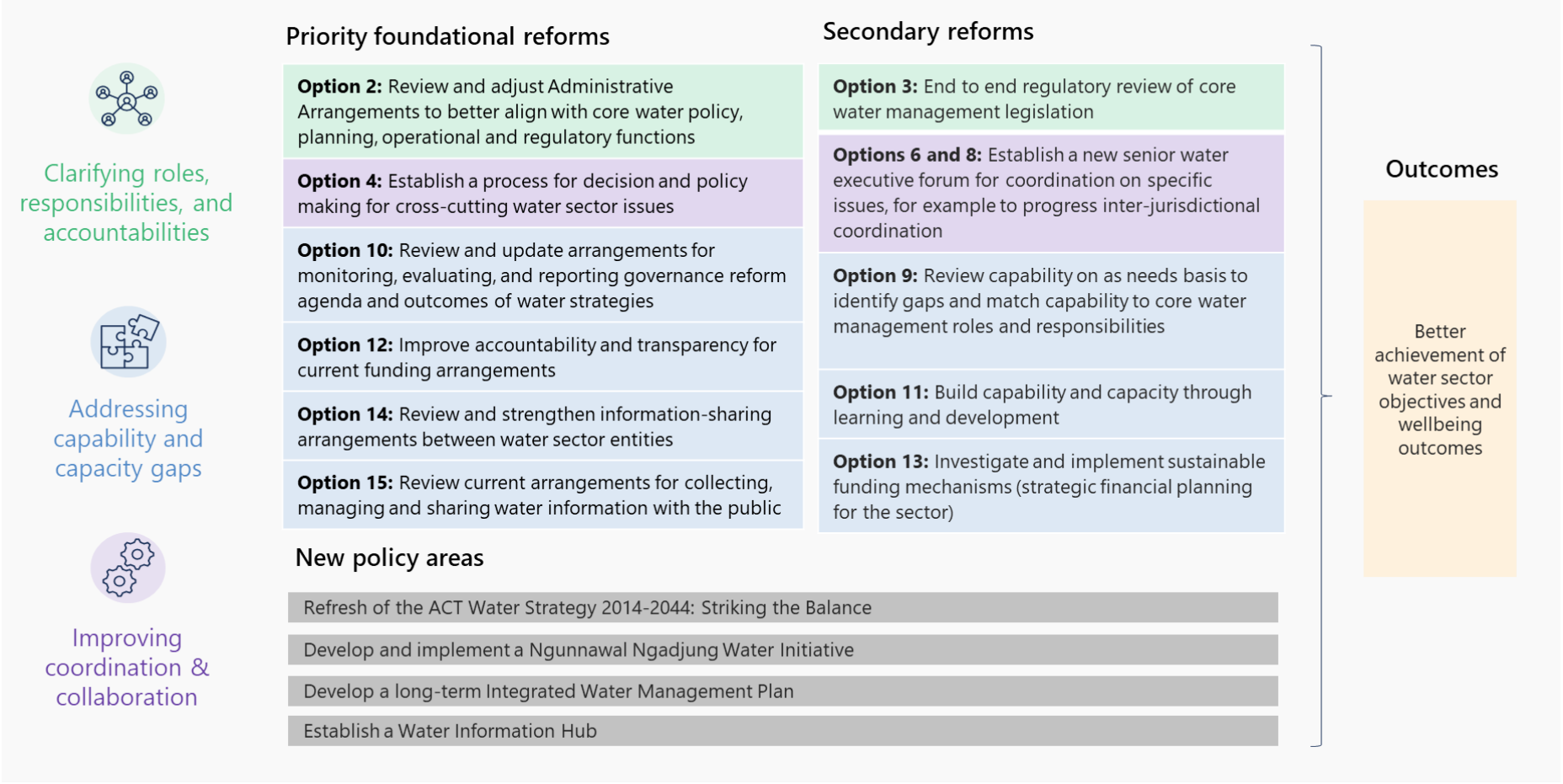


Figure 1 Summary of reform agenda

Priority foundational reforms and secondary reforms selected to be progressed

Appendix A sets out the assessment of potential reform options, as presented to and discussed with the Advisory Group during workshop 4 on 14 December 2021.

The priority foundational reforms and secondary reforms set out in sections 2.4.1 and 2.4.2 below have been selected to be progressed following workshop 4. The selected reforms reflect additional thinking and changes to the wording and scope of some of the original reform options as set out in Appendix A. Material changes to the wording, scope or assessment of the reform options include:

- **Options 6 and 8.** Both options 6 and 8 were assessed as options that could be progressed as secondary reforms following workshop 4. These options have since been combined into a single secondary reform, with an amended role to support the OoW, rather than as the primary coordination mechanism. The need for such a coordination forum would be resolved following implementation of reform option 4. If progressed as a secondary reform, a new senior water executive forum could provide advice on cross-cutting issues and inter-jurisdictional coordination to the OoW, with the OoW taking on the role of coordination, and liaison for inter-jurisdictional matters.
- **Option 15.** Option 15 was escalated from a secondary reform to a priority foundation reform, as it is considered an important first step for the OoW to undertake to align with and support a refresh of the *ACT Water Strategy 2014 - 2044* and to support development of a water information hub

2.4.1. Priority foundational reforms

The priority foundational reforms will provide significant uplift to governance arrangements across the sector by addressing the root causes of key governance issues affecting the sector. The priority foundational reforms are set out in Table 1 below.

Table 1 Priority foundational reforms

Category	Reform option	Description
Roles, responsibilities and accountabilities	**Option 2** Review and adjust Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions	This is a foundational activity to support other governance reforms, including reviewing and matching capability to core water management roles and responsibilities. This involves reviewing current Administrative Arrangements and documentation of roles and functions at the agency level for all agencies with water sector responsibilities, and recommending any structural changes required through adjustments to Administrative Arrangements.

Category	Reform option	Description
Coordination	**Option 4** Establish a process for decision and policy making for cross-cutting water sector issues	This activity includes the OoW establishing an agreed process between relevant water sector entities for progressing and resolving cross-cutting water sector issues, including guidance on when consultation and collaboration between agencies should occur, identifying the lead agency for key issues and thresholds for escalating issues for resolution.
Capacity and capability	**Option 10** Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	This reform streamlines current agency and entity reporting processes, and provides a consolidated monitoring, evaluating and reporting framework to assess the implementation of water plans, policies and strategies.
	Option 12 Improve accountability and transparency for current funding arrangements	The reform supports governance arrangements for the allocation of resources to align with prioritised capacity and capability requirements. This includes mapping existing funding streams and allocations to agencies and establishing a process to monitor and report on funding for water management activities.
	Option 14 Review and strengthen information-sharing arrangements between water sector entities	Access to information is essential for building and retaining corporate knowledge in the longer-term and supporting agency staff to deliver against their roles and responsibilities. A review will identify gaps/blockages in information sharing, and the type, format, and frequency of information required to support implementation of water management activities. Recommendations from this review will identify improvements in processes and procedures for information sharing and inform the scoping of a water information platform. This activity should occur after option 2 (review of administrative arrangements).
	Option 15 Review current arrangements for collecting, managing and sharing water information with the public	This activity is integral to enhancing public trust and promoting accountability in management of the ACT's water resources and is a foundational step for establishing the OoW as the point of contact for the ACT community on water information. The review would inform the scoping of a web-based water information hub (option 16, refer to Appendix A).

2.4.2. Secondary reforms

In addition to the priority foundational reforms, several secondary reforms were identified for the OoW to consider, pending the outcome of the priority reforms (Table 2). The scheduled mid-term review of implementation of the reform options is a natural decision point for determining the ongoing need for secondary reform options, or any additional options identified in the interim.

Table 2 Secondary reforms for the OoW to consider

Category	Reform option	Description
Roles, responsibilities and accountabilities	**Option 3** End to end regulatory review of core water management legislation	Involves a review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance. This review would consider the requirement for legislative amendments This is not a current priority. The Advisory Group agreed that, in general, current water legislation was fit for purpose and that gains could be made in improving the administration and implementation of legislation before a review was required. Legislative review could be undertaken as a standalone activity in 3-5 years' following the implementation of other governance reforms. This could be reconsidered as part of the mid-term review for the OoW.
Coordination	**Options 6 and 8** Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination	The priority reform option 4 provides for the OoW to establish a fit-for-purpose process for improved coordination and decision-making. The nature of any new forum or governance structure will be subject to the priority activity.
Capacity and capability	**Option 9** Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	A full sector capability assessment is not warranted at this point in time. However, the process of delineating roles of responsibilities may lead to the identification of capability gaps.
	Option 11 Build capability and capacity through learning and development	Targeted activities to address gaps can be identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.

Category	Reform option	Description
	Option 13 Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	This activity could follow priority reform option 12 (improved accountability and transparency for current funding arrangements), and explore options to address funding gaps for policies, programs and services. This activity would involve developing an understanding of the short-, medium- and long-term investment needs for the sector, reviewing the funding mechanisms available, optimising the allocation of existing funding, and identifying options/mechanisms for improvements.

2.4.3. Priority focus areas

Implementing the priority governance reforms are expected to lead to significant improvements in the performance of the ACT water sector. The reforms are expected to provide significant uplift in specific policy areas where these governance issues are most prominent and where progress has been affected as a result. Similarly, there are several discrete policy areas where there are notable gaps in the current system. Together these offer the ACT Government an opportunity to demonstrate progress and achievement of tangible water management outcomes by progressing them in tandem with the governance reforms.

The following priority focus areas were identified to be progressed with the governance reform:

- refresh of the ACT Water Strategy 2014-2044: Striking the Balance
- develop and implement a Ngunnawal Ngadjung Water Initiative
- develop a long-term Integrated Water Management Plan
- establish a Water Information Hub.

3. A model for implementing reforms

3.1. Why an Office of Water?

The Stage Two review identified a range of improvements outlined in the reform agenda in the preceding section. Under current arrangements – the status quo – there is a risk that these improvements will not be realised. Therefore, there is a need for dedicated capacity and additional support to help deliver the proposed reform agenda.

Aither was asked to consider how different models for an OoW could be used to further governance reform priorities. The concept, need and potential scope of an OoW was tested with the Advisory Group through identifying the main functions, roles and responsibilities needed to implement reforms for the sector (i.e., what needs to be done to implement the reform agenda). Discrete models with different functions, roles, and responsibilities in supporting the water sector were then developed and tested. In addition, a model where no OoW is established but some lighter touch governance reforms are implemented was also scoped and tested.

The core aims of having an OoW is to help the sector better:

- clarify (or reset) the vision, objectives and goals for the sector
- tackle discrete and more immediate issues and governance reforms (where clearly articulated), such as roles, responsibilities and accountabilities
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach across the sector
- investigate and resolve deeper issues of governance and structure for the sector
- communicate to the public how ACT water resources are managed.

An OoW will also help to elevate water sector issues, bring additional expertise to the sector and help build capacity, and act as an intermediary and coordinator between relevant agencies on cross-cutting issues.

3.2. The preferred model for delivering ACT water governance reforms

The preferred model for delivering water governance reforms is summarised below. Section 3.4 presents a full description and assessment of all models.

The preferred model for delivering ACT water governance reforms is to establish an OoW that leads the implementation of all priority (foundational) governance reforms. This model would also provide the flexibility to assume water policy and planning functions from EPSDD (plus relevant functions from other agencies), as informed by implementation of the governance reform options and alignment with principles of good governance.

Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW and with respective agencies. Exactly which policy and planning functions sit in the OoW is yet to be determined and requires further engagement and consideration of outcomes from other governance reforms.

The OoW would be established to:

- Lead the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms.
- Assume responsibility, where appropriate and consistent with governance reform priorities and principles of good governance, for selected water policy and planning functions and new policy priorities
- Chair the new inter-agency senior-executive forum, if established, to provide advice to the Office to inform policy development and support coordination and facilitation between agencies on cross-cutting issues.
- Undertake monitoring and reporting to government on the implementation of governance reform priorities as well as water plans, policies and strategies.
- Provide the primary point of engagement with ACT community on water sector issues.
- Facilitate information requests by the government and the public.

This model was assessed as providing the most effective and efficient means by which to implement the reform priorities identified in Section 2. It will also help elevate policy priorities and provide a forum for cross-cutting issues and decision-making.

The OoW would be led by a Head if Office and supported by additional staff (approximately 10-15 Full Time Equivalent (FTE)). An initial period of four years for OoW to focus on delivering governance reform priorities is proposed, with a mid-term review in year 3 to consider possible extension beyond this term.

The preferred model (Model 3) is further described in Section 3.3 and assessed along with other models in 3.4.

3.3. Identifying and refining options for the Office of Water

3.3.1. Model identification

Roles and functions

Models for an OoW were identified by looking at the key functions and roles required to implement the reform agenda. This included:

- **Strategy and direction setting**: working with all the players in the water system and with stakeholders to set the vision and strategy for the sector and reforms and changes required to deliver against the ACT Water Strategy.
- **Coordination and facilitating improved collaboration between agencies:** to address cross-cutting issues and reach agreed positions on matters impacting the sector.
- **Coordinating implementation of reforms**: boundary riding various players in the water system and hosting special projects to enable the delivery of governance and other water sector reforms.
- **Implementation of reforms**: responsibility for delivering one or a range of reform initiatives.
- **Undertaking water sector reviews and inquiries:** to improve water sector operation and governance.

- **Performance monitoring against the strategy and reporting**: both of the system and individual players.
- **Engagement:** Providing a single (or key) point of engagement with ACT community on water.

Design principles

The design of models for the OoW are based on the overarching principle of form follows function. That is, the potential mix of functions that each model might perform were identified first, and then design assumptions (enabling environment, resourcing and costs, term, funding, etc.) were developed based on the functions and role identified.

The design and refinement of models also considered whether each model:

- is efficient and avoids any duplication of roles and functions (e.g., on reporting)
- would have the authorising environment to perform its functions effectively
- can be held to account for executing its functions.

A spectrum of models was identified to provide for comparison from generally lighter touch roles and functions (like reporting and assurance) through to more substantive roles in implementation of the reform agenda.

All models aim to include the following traits:

- The internal structure of an OoW is focused on the leadership level, and is preferably compact, flat and nimble.
- The OoW is supported by good access to expertise, this may include an advisory panel or board, or less formal arrangement with relevant sector stakeholders.
- There are defined mechanisms for working with other players in the ACT water system.
- There are defined mechanisms for community engagement.
- The OoW maintains and implements a work program for its duration.
- The OoW operates with transparency and is held accountable for its performance.

3.3.2. Office of Water models for assessment

An initial set of four models for an OoW was developed based on the early views of the Advisory Group and research and inputs from the project team. This list was workshopped with the Advisory Group to inform the refinement of the models and identify a potential 'preferred model'.

Following workshops with the Advisory Group, Aither was requested to consider the ability of some models to assume responsibility for ongoing policy and planning functions for the sector. How this has changed the models since Workshop 4 with the Advisory Group is included below in Table 3. Aither has not analysed what ongoing policy or planning functions might be transferred to an OoW. This could be further tested and agreed through the process of implementing the priority reform items. Nevertheless, there is merit in considering how the OoW might play an enduring role in improved governance for the sector by taking responsibility for some functions - provided this aligns with the reform agenda and principles of good governance.

The four models for assessment are:

1. Model 1 - No OoW but a coordination forum is established to work on governance improvements.

2. Model 2 - OoW provides assurance and plays a coordination role in facilitating governance reforms
3. Model 3 - OoW leads implementation of governance reforms, may assume policy and planning functions
4. Model 4 - OoW leads implementation of governance reforms and assumes wide ranging functions as central water agency.

These models are outlined in Table 3.

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Table 3 Summary of options

	Model 1: No OoW – establish coordination forum	Model 2: OoW – assurance and facilitation	Model 3: OoW – Governance reform lead	Model 4: OoW – central water agency
Refinements since Advisory Group Workshop Four	This model is new.	This model reflects models 1 (assurance) and 2 (facilitation) from the initial models tested with the Advisory Group.	This model builds on the Model 3 (Facilitator and Lead on Governance Reforms) that was tested with the Advisory Group by including an expanded role for the OoW to potentially assume some policy and planning functions.	This model is an expanded version of model 4 that was tested with the Advisory Group. It includes a central water policy agency that would potentially include policy, planning, operational, program delivery and regulatory responsibilities (currently dispersed across multiple agencies).
Role statement	No OoW is established. Existing stakeholders establish a new coordination forum to pursue minor governance improvements (see below).	The OoW enables the implementation of water sector strategy and some minor governance reforms through leading coordination between relevant agencies and monitoring and reporting on progress. The OoW provides assurance to the ACT Government and ACT community on progress in implementing both water governance reforms and addressing cross-cutting water issues. It will act as a point of accountability for the water sector and is intended to build confidence in the Government and the community that the sector is functioning effectively and is delivering on the key outcomes as articulated in the ACT Water Strategy.	The OoW leads the implementation of governance reforms and may assume water policy and planning functions from EPSDD plus limited relevant functions from other agencies, as determined through a roles and responsibilities review (Option 2). Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW with respective agencies.	The OoW leads the implementation of governance reforms as per Model 3. Water sector operation, program delivery and regulatory responsibilities would be brought into OoW through Machinery of Government changes and legislative amendments
Summary functions	This model assumes there is no OoW or additional capability or capacity across the sector to implement the identified reform agenda. Water sector stakeholders would rely on existing arrangements and mechanisms to deliver improvements. This would be supported by a new coordination forum.	Key functions: • Coordinates reforms with other parties (does not lead implementation) • Facilitates coordination forum with a focus on governance reform agenda • Facilitates community and stakeholder engagement to water reform and ACT Water Strategy • Monitors and reports on implementation of the ACT Water Strategy and of agreed governance reform actions. • OoW may be commissioned by the Minister or sector to provide advice on how to improve implementation.	Key functions: • Leads the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms. • Provides monitoring and reporting to Government on the implementation of water plans, policies and strategies. • First point of engagement with ACT community on water sector issues. • Facilitates information requests by the Government and the public. • Chairs coordination forum, if established, to inform policy development and coordination and facilitation between agencies to address complex and cross-cutting issues. • Pending implementation of priority governance reforms: – Responsible for new policy outcomes delivery – Responsible for delivering any functions assigned to it through the roles and responsibilities review (Option 2) (assumed to	As per key functions for Model 3, plus expanded role (indicatively) covering, programs delivery and regulatory functions. Service delivery to remain with Icon Water and TCCS.

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	Model 1: No OoW – establish coordination forum	Model 2: OoW – assurance and facilitation	Model 3: OoW – Governance reform lead	Model 4: OoW – central water agency
			be policy and planning functions).	
What reform agenda items could be progressed under this option	Minor reforms only: • Option 1: Better specify existing roles and responsibilities (in current administrative arrangements) through agreements and performance measures • Option 6: Establish a new or alternative forum/s to drive interagency coordination • Option 11: Build capability and capacity through learning and development • Option 14: Review and strengthen information sharing arrangements between water sector entities • Option 15: Review current arrangements for collecting, managing and sharing water information to understand what information is collected and the best way to provide it to agencies and the public.	Same as Model 1, but the OoW would take a direct role in establishing the coordination forum and provide overall assurance to the government and ACT community on delivery of the reform agenda.	All priority foundational reforms,	All priority foundational reforms.

3.4. Assessment of models for an Office of Water

3.4.1. Assessment criteria

The models were assessed against the criteria in Table 4 below. The assessment sought to identify which model is best able to deliver the priority governance reform items effectively and efficiently.

Priority foundational reforms include:

- Option 2 - Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions
- Option 4 - Establish a process for decision and policy making for cross-cutting water sector issues
- Option 10 - Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies
- Option 12 - Improve accountability and transparency for current funding arrangements
- Option 14 - Review and strengthen information-sharing arrangements between water sector entities
- Option 15 - Review current arrangements for collecting, managing and sharing water information with the public.

Table 4 Criteria for assessing models

Criteria	Description
Effectiveness	*Does the model support implementation of reform agenda items and help address governance issues?*
Alignment with principles of good water governance	*Does the model align with and further contribute to the principles of good water governance?*
Alignment with outcomes (ACT Water Strategy)	**1. Healthy catchments and waterbodies** *Well-managed, functioning aquatic ecosystems that protect ecological values and contribute to the liveability of the ACT community.* **2. A sustainable water supply used efficiently** *An integrated and efficient water supply system that provides for the optimal mix of supply options, encourages efficient use of water, and is resilient to climate variability, and supports the social, economic and environmental needs of the ACT community.* **3. A community that values and enjoys clean, healthy catchments and waterways** *Work with the ACT community to continue to use water efficiently, and to ensure safe, clean water for recreation and the environment.*

Criteria	Description
Capability and capacity to deliver draft reform agenda	*Does the proposed model provide appropriate capability and capacity to deliver the draft reform agenda and ensure ongoing benefits from improved governance?*
Contribution to Wellbeing Indicators	*Assessment against this criterion has focused on the general contribution to the wellbeing domain of Climate and Environment and associated indicators.* *Better water management (triggered supported by implementation of the reform agenda identified in this report) would have flow on benefits that influence a range of other wellbeing domains – this should be considered when evaluating the implementation of specific reform options.*
Costs	*What are the likely costs and resourcing requirements? How do they compare to other models?*

3.4.2. Model 1 - No Office of Water, establish coordination forum

Assessment result

This is not considered a viable model for implementing the identified governance reform agenda and improving water governance in the ACT. As a result, current issues (identified through this project) are likely to persist and undermine the ACT water sector in delivering on its vision and objectives.

This model, by virtue of establishing a coordination forum, would provide some marginal and incremental improvements in governance over time. However, there is a risk that without additional support or assurance, reform implementation is not prioritised, and the status quo is maintained.

Model 1 description and assumptions

Please refer to Table 3 for description of *role statement* and *functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 1 are outlined in Table 5. Based on these assumptions, the criteria assessment for Model 1 is presented in Table 6.

Table 5 Model 1 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	Relies on the leadership of existing agencies.
Authorising environment requirements	Relies on current arrangements.
Resourcing and cost assumptions	Would require modest resourcing that would be drawn from current capacity.
Funding and phasing requirements	Some minor additional funding to support implementation of reform options is assumed.

Assessment against criteria

Table 6 Model 1 criteria assessment

Criteria	Assessment
Effectiveness	An OoW is not established under this model. Rather, existing stakeholders would establish a new coordination forum and pursue a limited number of lower priority reforms. This may result in some minor improvements to governance of the sector; however, the lack of increased capability and capacity to drive the reforms may limit the effectiveness of these improvements. As priority reforms 2, 4, 10, and 12 (which offer greatest improvement to the underlying governance issues) would not be delivered through this model, it is unlikely to be as effective as other options which better address the root governance issues.
Alignment with principles	This model would support greater alignment with principles of good water governance (through implementation of reform options) but leaves many of the more substantive reform actions that have been identified untouched.
Alignment with outcomes	**OUTCOME 1: Healthy catchments and waterbodies** The model would provide some support for improved coordination and clearer roles and responsibilities but would be unable to help achieve significant structural or funding changes that would improve program delivery for this outcome in this space. For example, it would not involve reviewing and improving funding mechanisms for water management activities and programs as per option 12 and 13 - which would materially improve performance against this outcome. **OUTCOME 2: A sustainable water supply used efficiently** Model would support this outcome at a basic level through incremental improvements to water governance but would not resolve some of the priority reform actions required to achieve this important outcome to the extent it could be. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model does not actively increase or improve community participation or interaction with the water sector. Marginal improvements to outcomes 1 and 2 would flow through to community and support this outcome.

Criteria	Assessment
Capability and capacity to deliver draft reform agenda	This option would only focus on implementing some lower priority reform priorities. Therefore, it would not provide significant an uplift in capacity and capability, as other options which implement the primary reform agenda. Relying on current arrangements and resourcing (which are both sources of governance issues) without significant additional interventions to address the root causes of governance issues would be unlikely to shift the status quo.
Contribution to Wellbeing Indicators	Model would result in limited improvements to the *healthy and resilient natural environment indicators* on water quality and catchment health (see assessment against Water Strategy Outcomes above). It is unlikely to precipitate governance reforms that would create wider cross-sectoral benefits through better water management – for example, noticeable changes in indicators related to connection to nature such as increasing use of high-quality green open space or higher access to waterways.
Costs	This option would only require minimal additional funding but would require current agencies to identify capacity and capability under current resourcing to actively pursue reforms (and this would likely cause strain on already stretched resources). It would require modest resourcing for the coordination forum and to help pursue reform options.

3.4.3. Model 2 - Office of Water – assurance and facilitation

Assessment results

This model is assessed as supporting similar reforms and outcomes as Model 1 but with greater assurance reporting on delivery of the reform agenda. It would not make a substantive contribution to delivery of the full list of reform priorities that have been identified and is therefore not the preferred model (though it is preferable to Model 1). It is likely to support improvements and provide an overall positive impact but does not deliver as much overall value as other models.

Model 2 description and assumptions

Please refer to Table 3 for description of *role statement and functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 2 are outlined in Table 7. Based on these assumptions, the criteria assessment for Model 2 is presented in Table 8.

Table 7 Model 2 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	This option would be led by a Deputy Director-General (or senior executive role) who would be responsible for coordinating governance reforms and chairing the coordination forum. The Deputy Director-General would report to the Minister.
Authorising environment requirements	Unlikely to require major changes (e.g., legislative change or significant reworking of administrative arrangements) besides establishment of the OoW with limited assurance and facilitation responsibilities. Likely to be embedded in existing agency rather than new entity.
Resourcing and cost assumptions	Moderate level of resourcing to support Deputy Director-General function with minimal additional staffing required to support reporting and assurance, in addition to coordination forum establishment and ongoing secretariat functions. Cost and resourcing to deliver reform options would be dispersed across agencies (similar to Model 1). Indicatively, senior lead plus 3-4 staff for managing Coordination Forum, sector and community engagement, and reporting.
Funding and phasing requirements	Two- or three-year funding timeframe and phasing. Timebound and focused on delivering initial rollout of governance reform agenda.

Assessment against criteria

Table 8 Model 2 criteria assessment

Criteria	Description
Effectiveness	This model would provide additional oversight and coordination of implementation for the same subset of governance reforms that Model 1 would implement. As for Model 1, priority reforms 2, 4, 10, and 12 would not be delivered through this model which offer greatest improvement to the underlying governance issues. The OoW providing facilitation and assurance would help drive reforms, but implementation would ultimately rely on the capacity, capability and willingness of other agencies to pursue reforms (and without additional funding or support to do so).
Alignment with principles	This model would support some progress towards the principles of good water governance (through implementation of some lower priority reform options). The model would result in some improvements to coordination and decision-making– which is a key governance issue for the sector – but not to the same degree as other models.

Criteria	Description
Alignment with outcomes	As for Model 1, this model would not provide significant uplift to outcomes as it would not achieve significant improvements to governance to support improved water management outcomes. **OUTCOME 1: Healthy catchments and waterbodies** Model would support improved coordination and roles and responsibilities that would improve efficiency, but unlikely to achieve significant structural or funding changes that would improve program delivery against this outcome. **OUTCOME 2: A sustainable water supply used efficiently** Model would support improved coordination across roles and responsibilities that would contribute to sustainable and efficient water supply; it would help to address key themes of cross-border issues and improving decision-making on cross-cutting issues which are important in achieving this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in the water sector decisions and direction on key issues than Model 1.
Capability and capacity to deliver draft reform agenda	This model would provide marginal improvements to capacity and capability in terms of coordinating and, facilitating effort and reporting on performance, but would not directly increase capability and capacity for implementation for key reform actions – some of which are likely to require additional support.
Contribution to Wellbeing Indicators	See above option.
Costs	There would be moderate costs involved in resourcing this model based on the resourcing assumptions in Table 7. This would be the lowest cost model that includes having an OoW. Similar to Model 1, existing agencies would be required to find the capacity to implement reforms (which creates opportunity costs for implementing their existing functions).

3.4.4. Model 3 - Office of Water leads on governance reforms

Assessment results

This model is assessed as comprehensively supporting the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would be relatively lower cost and administratively simpler to deliver than model 4. The Advisory Group indicated it was the option that would be most likely to garner the support of the sector but noting that some members viewed that the OoW should have a role in coordination of reforms only, not implementation of reforms.

The model could also assume responsibility for policy and planning functions over time.

Model 3 description and assumptions

Please refer to Table 3 for a description of role statement and functions. The assumptions about key attributes and requirements that underpin the assessment of Model 3 are outlined in Table 9. Based on these assumptions, the criteria assessment for Model 3 is presented in Table 10.

Table 9 Model 3 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	This option would be led by a commissioner reporting and accountable to the Minister responsible for progressing and implementing reforms.
Authorising environment requirements	Changes to Administrative Arrangements be required if functions are to be transferred into the OoW from other agencies. Some responsibilities may be transferred through delegation instruments. Establishing the Head of Office as a statutory position through new legislation is not required however may be subject to review. Office would be embedded in existing agency.
Resourcing and cost assumptions	Moderate to high level of resourcing to support functions. Indicatively, the Head of Office role plus 10-15 support staff to established as a taskforce to implement governance reforms and to manage the transferred policy and planning responsibilities. The balance of the magnitude of staff resourcing will depend on the level to which reform agenda actions are delivered in house or externally. For example, technical analysis and consultation for some options could be delivered by external entities working closely with the OoW and stakeholders. In terms of assuming policy and planning responsibilities: • It is assumed that transfer of functions from other divisions (e.g., policy and planning functions moving from EPSDD Water Policy Division to OoW) would be like for like in terms of resourcing and not require 'new funding' to fill positions. • The establishment of new teams and movement of staff would also result in productivity and transaction costs from the disruption. • Any new future policy areas or initiatives would need to be costed and accounted for in addition to this.
Funding and phasing requirements	Funding for four years including for a mid-term review in year three. Second budget bid anticipated after mid-term Review pending assessment of effectiveness of OoW and need for ongoing policy and planning functions to be housed in the OoW.

Assessment against criteria

Table 10 Model 3 criteria assessment

Criteria	Description
Effectiveness	The model is best placed to deliver the preferred package of reform options that address the core governance issues. Depending on the extent to which functions are moved to the OoW as a result of implementing any recommendations from a roles and responsibilities review (option 2) it could also elevate policy and planning priorities which currently reside with other agencies into the OoW – improving the integration and decision-making on cross-cutting issues for the water sector.
Alignment with principles	The model is aligned with these principles itself and it has greatest control over delivering and adapting the reform agenda – which addresses many of the principles.
Alignment with outcomes	**OUTCOME 1: Healthy catchments and waterbodies** This model would contribute substantially to this outcome through the implementation of a number of priority reform options that could help improve roles and responsibilities, funding and other aspects of governance that contribute to delivering healthy catchments and waterbodies. For example, resolving funding models and increasing the sustainability and certainty of funding (even without increasing the overall quantum) would support better long-term investment and delivery of various programs in this space. **OUTCOME 2: A sustainable water supply used efficiently** This model would support delivery of reform options that would increase the effectiveness of decision-making and planning for water supply, which would make an important contribution to this outcome. Specifically, reforms to improve roles and responsibilities, decision-making and handling of cross border issues would support greater achievement of this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in water sector decisions and direction on key issues – coupled with increased capacity to deliver on actions in response.
Capability and capacity to deliver draft reform agenda	OoW staffing will increase overall capability and capacity in the sector. Combining core policy functions within OoW would also help build capability and capacity in the sector.

Criteria	Description
Contribution to Wellbeing Indicators	Model would support improvements to the *healthy and resilient natural environment* indicators on water quality and catchment health and would improve *Connection to nature* through more effective policy, planning, funding and delivery of programs that support these domain indicators. Implementing the priority reforms through this model would also result in wider benefits from improved water resource management and services that would positively influence other well-being domains. This includes domain areas such as health, liveability or education that could be more actively targeted through a more effective and responsive water sector with increased capacity and capability.
Costs	This model would require a moderate to higher amount of additional funding to staff the OoW and implement priority reforms. It is a step change from options 1 and 2 but provides significant additional capability and capacity. There are also likely to be costs associated with structural changes (for example, moving policy functions under the OoW) and other disruptions as staffing budgets and costs are transferred.

3.4.5. Model 4 - Lead on governance reforms and establish central water agency

Assessment results

This model is assessed as comprehensively supporting the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would require more substantive reforms and upfront and ongoing resources, making it relatively less efficient in delivering the reform agenda outlined in this report. However, it is likely that this model would bring additional capacity which may deliver value beyond the governance reforms, for example, improved and consolidated program delivery and coordination within a central water agency.

There are elements of this model that are not consistent with principles of good governance – principally, the blending of policy and regulatory functions in a single organisation.

Model 4 description and assumptions

Please refer to Table 3 for description of *role statement and functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 4 are outlined in Table 11 below. Based on these assumptions, the criteria assessment for Model 4 is presented in Table 12.

Table 11 Model 4 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	Head of Office with direct reporting and accountability to the Minister

Assumptions and requirements	Description
Authorising environment requirements	Legislation would be required to establish a new agency, and changes to Administrative Arrangements would be required to transfer functions from other agencies. Would require authorising environment outside of EPSDD (new agency). The model would require legislative changes to transfer appropriate Authority to the new office.
Resourcing and cost assumptions	Would require significant resourcing to operate, including similar or greater additional staff as identified for Model 3 (10-15 FTE) to pursue reform agenda priorities, plus greater transfer of resources from other agencies reflecting transfer of functions. The ongoing cost would be greater. Even if like for like resourcing requirements for the transfer of functions to the new agency are assumed, the complexity and significance of the change would create significant transaction costs and disruptions. Resourcing to support new policy priorities would need to be considered in addition to the above costs.
Funding and phasing requirements	Would be established on an ongoing basis with sustained funding through annual budgets.

Assessment against criteria

Table 12 Model 4 criteria assessment

Criteria	Description
Effectiveness	This model would comprehensively support the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would require more substantive reforms and therefore greater upfront and ongoing resources, making it relatively less efficient in delivering the reform agenda outlined in this report compared to Model 3. However, this proposed model may bring additional capacity which may deliver value beyond governance reforms.
Alignment with principles	There are elements of this option that are not consistent with principles of good governance – principally, the blending of policy and regulatory functions in single organisation. This would be detrimental to improving governance in the ACT.

Criteria	Description
Alignment with outcomes	This criterion has been assessed as broadly the same for Model 3 and Model 4. The two models may differ in terms of the ongoing impact they would have on outcomes through the ongoing nature and wider responsibilities across the sector of Model 4. This has not been considered in the assessment below. **OUTCOME 1: Healthy catchments and waterbodies** This model would contribute substantially to this outcome through the implementation of a number of priority reform options that could help improve roles and responsibilities, funding and other aspects of governance that contribute delivering healthy catchments and waterbodies. For example, resolving funding models and increasing the sustainability and certainty of funding (even without increasing the overall quantum) would support better long-term investment and delivery of various programs in this space. **OUTCOME 2: A sustainable water supply used efficiently** This model would support delivery of reform options that would increase the effectiveness of decision-making and planning for water supply, which would make an important contribution to this outcome. Specifically, reforms to improve roles and responsibilities, decision-making and handling of cross border issues would support greater achievement of this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in water sector decisions and direction on key issues – coupled with increased capacity to deliver on actions in response.
Capability and capacity to deliver draft reform agenda	Significant staffing required for a central water agency will increase capability and capacity in the sector. Combining water sector functions within a central water agency will help build capability and capacity in delivering the reform agenda, and the capacity and capability of the sector overall.
Contribution to Wellbeing Indicators	Model would support improvements to the *healthy and resilient natural environment* indicators on water quality and catchment health and would improve *Connection to nature*. Through implementing the priority reforms, it is likely that adopting this model would result in wider benefits from improved water resource management and services that would positively influence other well-being domains.
Costs	This model would be the costliest to implement, due to the increase staffing to facilitate and implement the governance reforms, plus the costs of combining and establishing a central water agency.

Criteria	Description
	This model would also likely take longer to implement as it would necessitate changing legislation and coordination across multiple agencies – delaying the achievement of desired outcomes for the sector.

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Table 13 Summary of assessment

Criterion	Model 1	Model 2	Model 3	Model 4
	No OoW, coordination forum	*OoW provides assurance and facilitator of reforms*	*OoW leads governance reform and may assume policy and planning functions*	*OoW leads governance reforms and is established as central water policy agency*
Effectiveness	Not effective in delivering priority reforms.	Not effective in delivering all priority reforms, but more confidence in achieving some improvement (compared to model 1).	Would effectively deliver on priority governance reforms.	Would effectively deliver on priority governance reforms.
Alignment with principles	Unlikely to materially improve alignment with principles of good governance.	Unlikely to materially improve alignment with principles of good governance.	Reforms implemented would improve sector alignment with principles significantly.	Reforms would lead to improvements, but this would be potentially counteracted by the amalgamation of roles and functions that would benefit from some institutional separation (i.e., does not align with principles of good water governance)
Alignment with outcomes	Minor improvement against Water Strategy outcomes.	Minor improvement against Water Strategy outcomes.	Would make a significant contribution to outcomes.	Would make a significant contribution to outcomes.
Capability and capacity to deliver draft reform agenda	Minimal capacity.	Assurance and facilitation functions increase capacity to deliver (some) reforms.	Has the ability to deliver reforms and would also increase capacity and capability of the sector over time.	Has the ability to deliver reforms and would also increase capacity and capability of the sector over time.
Contribution to Wellbeing Indicators	Minimal improvement	Minimal improvement	Significant improvement in climate and environment domain, with ability to support other domains.	Significant improvement in climate and environment domain, with ability to support other domains.
Costs	Lowest cost	Low-medium cost	Medium-High cost	Highest cost
Result	Worst performing model	Low risk and lower cost model that would have some positive impact	Best performing model based on balancing all criteria.	High-cost model that would be complex to implement, does not align with governance principles but is likely to deliver positive outcomes.

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4. A pathway for implementation

4.1. Overview

This section provides a high-level pathway for improving governance arrangements in the ACT. It includes direction on:

- Steps for establishing the OoW (based on the preferred model identified in Section 3).
- Proposed sequencing and planning activities for the OoW to implement the governance reform items.
- High-level implementation timeframes.

Detailed planning and business case development will be required for the OoW. This section provides high-level information to guide detailed implementation planning. Once established, the OoW will lead the implementation planning and further scoping of reform actions identified in this report. This would include confirming sequencing, undertaking necessary government and public consultation, and cost-benefit appraisal of individual reform options (as required).

Content in this section draws on the detailed reform scopes for each reform option (Appendix B).

4.2. Establishing the Office of Water

This section provides high-level steps for establishing an OoW based on the preferred model identified in Section 3.2. The steps are based on the Australian Public Service Commission's toolkit for establishing taskforces, with adaptations to match the nature of the OoW and its position within the ACT Water sector.

The sections below cover:

1. scope
2. governance
3. strategic plan, work program and delivery
4. engagement
5. staffing and recruitment
6. corporate and administrative requirements
7. monitoring, evaluation and reporting.

These points are ordered from a top-down perspective (from overall scope and governance to more detailed operational requirements) to provide a logical coverage of requirements for establishing the OoW. These steps can occur in parallel; they do not offer a sequential task list for establishing the OoW.

4.2.1. Scope

Current status

The scope of the OoW is set around the implementation of agreed reform options outlined in this paper, plus leading new policy areas. The OoW may also assume policy and planning functions following appropriate review and consultation with the sector.

The key deliverables and timeframes for the OoW are further specified in Sections 4.3 and 4.4.

Further steps required

The scope of work and implementation pathway articulated in this report will need to be reflected in clear terms of reference, charter, Ministerial commissioning letter or similar foundational scope document for the OoW. The scope will be based on the funding allocation and other key decisions from the government on the OoW (following this report). The scope should set clear expectations for the Office and other key stakeholders in the sector.

4.2.2. Governance

Current status

At this stage, there is only a high-level articulation of governance and the authorising environment[2] required for the OoW. These requirements include:

- Strong leadership under a Head of Office, with direct reporting to the Minister.
- A clear authorising environment that has the sector's buy-in and provides appropriate powers and standing to perform the roles and functions required of the Office.

The internal structure and governance of the Office and its relationship to other agencies is yet to be determined. This will depend on the funding and directions from the government on establishing an OoW and will be critical for success.

Further steps required

Steps required:

1. Create an authorising environment that is commensurate with the Office's role and (desired) stature.
2. Confirm and document:
    a. leadership arrangements for the Head of Office, including reporting, decision-making and accountability,
    b. internal Office of Water structure; and,

[2] Public sector organisations require authority to deliver on their functions. This authority comes in different forms and from different sources which make up an 'authorising environment'. There are 'formal' or 'hard' authorities, like those granted through legislation, budget approvals and a range of statutory, financial or administrative delegations. These are necessary, but insufficient on their own, to enable an organisation to be successful. There are also 'Informal' or 'soft' authorities, which are the mission-critical people and organisations that support and authorise the scope of work and manner in which work is undertaken. This can include ministers, central agencies, other departments, portfolio agencies and a wide range of stakeholders (APSC, 2021).

c. relationship to other water sector agencies (including, for example, obligations to engage).

3. Develop a clear position statement for the Head of Office that sets out role, responsibilities, reporting, and accountability (see staffing and recruitment below).

4.2.3. Strategic plan, work program and delivery

Current status

The work program for the OoW will consist of the reform options and new policy functions identified in this report. Section 4.3 provides more detail on how these activities could be sequenced within a work program. This is based on assumptions that the OoW is established as per the preferred model identified in this report. Changes to the nature, funding or other aspects of the OoW would influence its capacity to deliver the program. Some detail for the work program design is left to the OoW to best tackle the required changes.

It is recommended that the OoW develops a clear strategic plan or statement of approach and intent. This would provide a touchstone for the OoW and how they proceed with their work and signal how they will go about their work to the sector.

Further steps required

Following its establishment, the Office should produce its own strategic plan and a detailed work program for the minister's sign-off. Any material divergence to the work program proposed here must be clearly explained and accepted.

- The strategic plan should define success, what 'mission critical' is for the OoW, and how it will go about effecting change at a high level (values and behaviours, roles and functions).
- The detailed work program should, at a minimum, include:
  - confirmed timelines and deliverables,
  - budget, resourcing and allocation of work/ tasks,
  - any requirements for appraisal or assessment (for example, cost-benefit analysis, Regulation Impact Statements)
  - engagement process and approach
  - expected outcomes and contribution to ACT Wellbeing Framework
  - monitoring, evaluation and reporting.

The above points must be considered at the reform option or policy initiative level (rather than the work program overall). A clear timeline should be set for the Office to deliver this.

4.2.4. Engagement

Current status

The role of the OoW is cross-cutting and includes the specific requirement to be the lead interface between the water sector and the public. The reform options also include establishing a coordination forum for policy and decision making for cross-cutting water sector issues.

Further steps required

Further work on the formation of the coordination forum and the approach to engagement with the water sector and the community should occur in parallel to the establishment of the OoW. This will allow relevant government agencies to have input and support clear expectations across the sector.

Steps required include:

1. Coordination forum scoping and terms of reference - the coordination forum will be an essential asset for supporting the OoW's work program and should be progressed in parallel to the Office forming. It would benefit from input from likely members to help set the expectations and terms of reference.
2. Ongoing engagement with relevant sector stakeholders regarding the establishment of the OoW and implementation of the reform agenda.
3. Develop draft community engagement strategy - assuming the function of public engagement will require the OoW to have a clear strategy on community engagement and coordination with other agencies. It would be helpful to further scope how this function will be performed in practice in advance of the OoW forming as it will be a key operational requirement from the outset (including to inform other activities of the OoW).

Once established, the OoW would convene the coordination forum and be responsible for finalising and operationalising the community engagement strategy. Detail on the engagement approach at the reform option level will be addressed via the work program (see section above).

4.2.5. Staffing and recruitment

Current status

The preferred model includes indicative resourcing and staffing requirements for the OoW and guidance on the need for a Head of Office with the capability to lead effectively. Further work is required to flesh out the detail around staffing the OoW and making these staff appointments.

An interim team could begin formally establishing the OoW (see Box 1).

Further steps required

The following steps are required to support the establishment of the Office:

1. Articulate the leadership needs and attributes for the Head of Office and pursue early appointment of the Head of Office to facilitate the establishment of the OoW (also see point 3 below). The Head of Office will require:
    a. extensive water sector expertise ideally across water policy and planning, resource management and governance
    b. exceptional leadership, collaboration and relationship building skills to advance priority reforms with the buy-in of the wider water sector
    c. appropriate standing and authority (real and perceived) with the sector to chair the coordination forum and lead the OoW - this may include a need to consider any candidate's perceived independence and impartiality.

2. Identify and confirm the broader skills, subject matter expertise, attributes and mix of staff required for the Office (including in response to the funding allocation and other characteristics of the OoW yet to be confirmed).
3. Develop position descriptions and commence recruitment. It would be beneficial to focus on filling the Head of Office role and senior positions early (see point 1 above), to:
    a. Confirm the leadership, 'put a face' to the leader of the Office of Water early.
    b. Allow the Head of Office and senior recruits to input to the recruiting process and build complementary capabilities into the Office.
    c. Allow the Head of Office to begin owning the strategic direction and operational set-up of the OoW.

Option for an interim team to establish Office of Water

Given the work required to undertake the steps outlined above and several of the steps outlined against other elements for establishing the OoW, it may be beneficial to provide dedicated interim support for establishing the Office of Water (for example, a sprint team or working group). Ideally, the team would be staffed by people currently within the ACT Water Sector, who might ultimately assume roles in the OoW - supporting capacity and capability building over time.

The priority (assuming budget and Cabinet submission approval) for this team would be to progress appointment of the Head of Office, who would then lead the interim team until the OoW is formally established.

4.2.6. Corporate and administration requirements

Current status

This element of establishing the OoW has not been considered in this report and will depend on key decisions by the ACT Government.

Further steps required

Further steps to be confirmed by the ACT Government, likely requirements include resolving issues such as:

- Development of processes and policies (for example, for onboarding)
- Any centralised support systems and services required by the OoW (for example, human resources, procurement, information technology and information management)
- Location and housing the OoW.

4.2.7. Monitoring, evaluation, and reporting

Current status

Monitoring, evaluation, and reporting (MER) will need to be embedded in OoW operation. MER will be vital in ensuring effective implementation and delivery of desired outcomes for the water sector.

Further steps required

Embed MER for the OoW is likely to involve developing:

- A performance framework for the OoW, in parallel with the Strategic Plan and work program (described in 4.2.3). The Minister should endorse the performance framework and work program.
- The performance framework should:
  - define MER requirements for the OoW in implementing governance reforms, and leading new policy initiatives
  - confirm desired outcomes and indicators for demonstrating performance (and be aligned with the Wellbeing Framework)
  - outline roles and responsibilities for monitoring and reporting activities
  - set expectations regarding annual and continuous reporting.
- An Evaluation Plan for the OoW that includes:
  - The requirement for a mid-term review and full-term review
  - Sets out key evaluations questions and how the evaluation will be conducted (e.g., by an independent third-party).
- An Assurance Work Program to guide the OoW's assurance functions for the ACT water sector.

These MER requirements are separate from the overarching MER function that the OoW may take on for other water plans, policies and strategies. The OoW will be responsible for defining its approach to this.

4.3. Sequencing of implementation activities

As outlined in the section above, the OoW will undertake detailed implementation planning for the reform agenda. A visual representation of the sequencing, dependencies, and potential timing of reform implementation is provided in Figure 2 and further described in Table 14. The sequencing draws on the original solution scopes and assumptions prepared during the project (see Appendix B).

As outlined in Figure 2 below, key establishment activities and planning would occur during Year 0. The roles and responsibilities review (Option 2), the process for decision and policy making for cross-cutting issues (Option 4), ACT Water Strategy Refresh, and development of the Ngunnawal Ngadjung Water Initiative) would all begin in Year 1. Delivery of the remaining foundational reforms, the Integrated Water Management Plan, and the Ngunnawal Ngadjung Water Initiative implementation would start from Year 2. The secondary reforms and the Water Information Hub would begin after Year 3, following the mid-term review of reform implementation. It's important to note that this sequencing and prioritisation is for illustrative purposes, with final decisions on this subject to the Head of Office, once appointed, in consultation with the Minister.

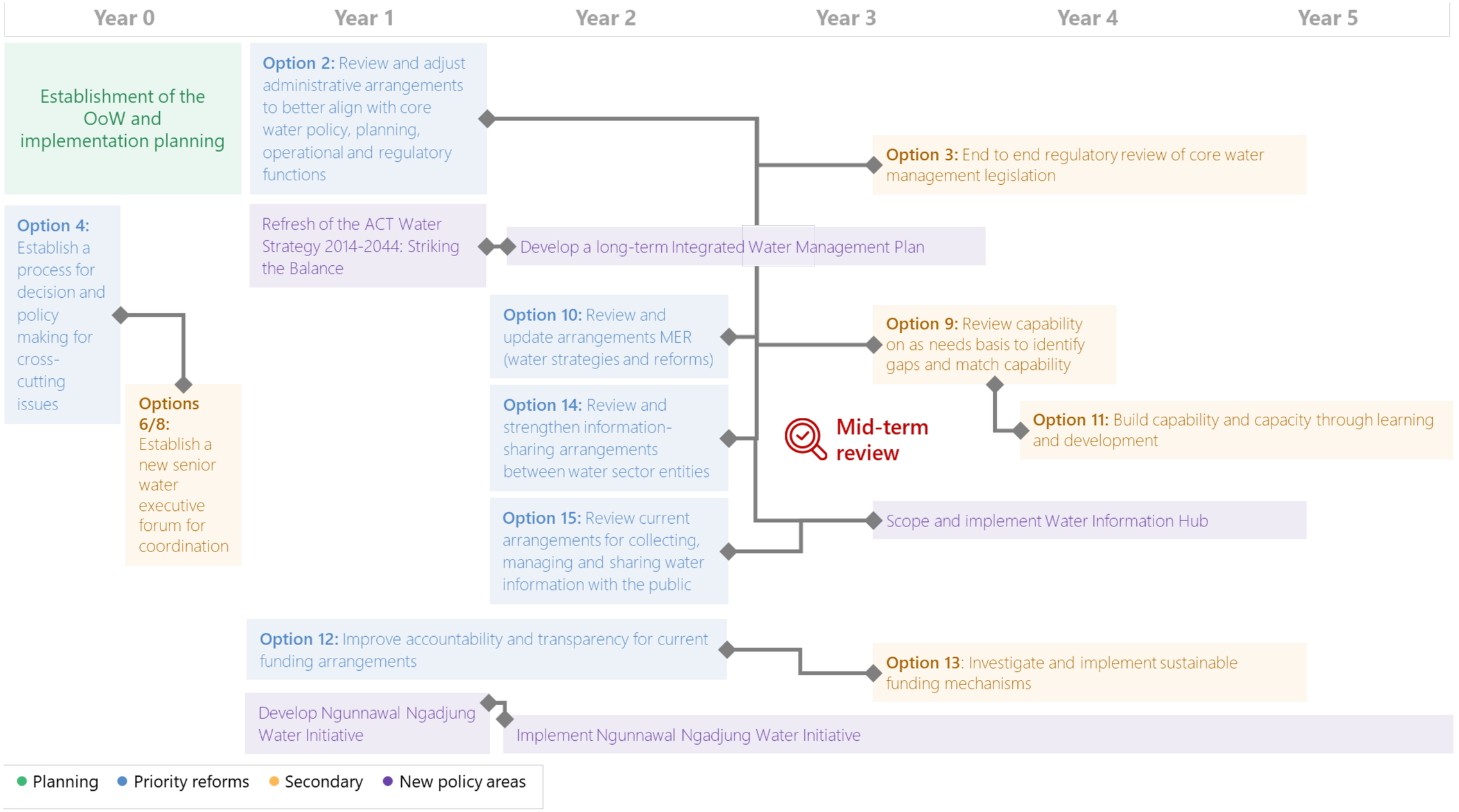


Figure 2 Summary of reform activities and sequencing

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Table 14 Key deliverables and dependencies

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
Establishing the Office of Water					
Scope	Confirm the scope for the OoW in a clear terms of reference	• Budget and Cabinet submission process	Within 2 months	Lead: EPSDD	OoW terms of reference
Governance	Confirm authorising environment, governance arrangements, and position statement for the Head of Office.	• Budget and Cabinet submission process	Within 2 months	Lead: EPSDD	Authorising environment Governance arrangements established Head of Office position statement
Strategic plan, work program and delivery	Produce Strategic Plan Produce a detailed work program for the OoW	• Budget and Cabinet submission process	6 months	Lead: OoW	Strategic Plan Detailed work program
Engagement	Establish the new Coordination Forum Undertake stakeholder mapping Establish an engagement and communications plan to guide interaction with other agencies and the community	• Expectations for engagement should be included in terms of reference • Reform options 4 and 6/8	2 months 6 months 6 - 12 months	Lead: OoW	Coordination Forum established Stakeholder mapping complete Communications strategy in place
Staffing and recruitment	Identify staffing requirements for the OoW Develop position descriptions for key staff Recruitment of Head of Office Establish interim team (if required) Appoint staff to deliver OoW functions as duration dictates	• Budget and Cabinet submission process	Within 2 months Within 2 months 3 months 6 months	Lead: EPSDD, then OoW	Staffing requirements and position descriptions defined Head of Office appointed Interim staffing appointed Ongoing staffing appointed
Corporate administration	Extend required corporate support (HR and onboarding, building access, IT and accommodation, finance and procurement and records and information) from EPSDD	• Budget and Cabinet submission process	Within 3 months	Lead: OoW	Corporate support for OoW established
Monitoring, evaluation and reporting of OoW establishment and implementation	Establish MER framework for OoW and reforms Establish annual assurance program	• Input to Water Strategy Refresh • Input to Option 10 MER • Input to midterm review (Jun 2025) • Input to assurance program	6-12 months	Lead: OoW Support: all water sector agencies	Program evaluation framework in place – links to Wellbeing Impact measures. Annual assurance program established
Implementing primary governance reforms (Dec 2022 - Dec 2025)					
Option 2: Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions	See solution scope: • Establish terms of reference for review • Conduct review (including consultation) • Cabinet process for recommendations • Implementation of endorsed recommendations	• The foundational task for all reforms • ACT Water Strategy refresh should align with outcomes • Dependent on effective interagency coordination	6 months (review to decision) 3 months (implementation)	Lead: OoW Support: all water sector agencies	Terms of reference established Review completed Cabinet endorsement of recommendations Implementation of recommendations
Option 4: Establish a process for decision and policy making for cross-cutting water sector issues	See solution scope: • Engage with agencies to evaluate current policy and decision-making processes and identify improvements • Develop and document a new process.	• Dependent on roles and responsibilities • Could be done as part of new terms of reference for coordination group (option 5 and 6)	2 months	Lead: OoW Support: all water sector agencies	New inter-agency protocols and procedures for resolving cross-cutting issues are in place

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Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
	• Establish leadership groups and coordination forums, with secretariat support, as required.				
Option 10: Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	See solution scope: • Define objectives and approach/method • Initiate review, including consultation with affected agencies • Implement arrangements.	• Depends on Water Strategy refresh • Depends on roles and responsibilities (Option 2)	Within 1 year	Lead: OoW Support: all water sector agencies	Recommendations report on how to improve monitoring/reporting approach for reforms and Water Strategy
Option 12: Improve accountability and transparency for current funding arrangements	See solution scope: • Define objectives and scope • Conduct process to: – Map current funding streams and allocations to agencies and outcomes. – Define monitoring and reporting requirements. – Implement systems and processes. – Establish governance and a central entity for use of the funding information. • Cabinet process for any proposed changes • Implementation of endorsed changes	• Depends on roles and responsibilities (Option 2) • Input to Option 13	Within 2 years	Lead: OoW Support: all water sector agencies	Funding (including the WAC) is accounted for in annual reporting
Option 14: Review and strengthen information-sharing arrangements between water sector entities	See solution scope: • Define objectives and scope • Review information sharing arrangements between ACT and region water sector entities. • Consult with entities on information sharing gaps, type, format, and frequency required to deliver functions. • Develop and document new information sharing protocols.	• Feeds into water info hub scoping and business case • Complete in parallel to option 10 and 15	Within 1 year	Lead: OoW Support: all water sector agencies	New protocols for information sharing arrangements between agencies/Icon Water is in place
Option 15: Review current arrangements for collecting, managing and sharing water information with the public	See solution scope: • Define objectives and scope • Review current practice and arrangements for managing and sharing information with the public. • Stakeholder consultation to determine information needs of stakeholders and the public. • Develop sector-wide arrangements for how and what information is managed and shared with the public.	• Feeds into water hub scoping and business case • Complete in parallel to option 10 and 14	Within 1 year	Lead: OoW Support: all water sector agencies	Guidelines in place about what will go on the public info hub (info sharing arrangements with the public)
Implementing secondary reforms (Dec 2025 - Dec 2027)					
Option 3: End to end regulatory review of core water management legislation	See solution scope: • Establish terms of reference for review • Conduct review (including consultation)	• Would be completed after option 2, if mid-term review indicates need	Within 2 years	Lead: OoW Support: all water sector agencies	Review completed and recommendations implemented

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
	• Cabinet process for recommendations • Implementation of endorsed recommendations				
Options 6 and 8: Establish a new senior water executive forum for coordination on specific issues, for example, to progress inter-jurisdictional coordination	See solution scope: • Determine purpose and membership of the new forum. • Establish work program. • Clarify expectations for meetings, attendance and authority, tempo, and reporting. • Revise and document Terms of Reference. • Establish a committee structure and a secretariat (could be performed by OoW).	• Subject to the outcomes of Option 4	Within 6-months	Lead: OoW Support: all water sector agencies	New coordination forum established
Option 9: Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	See solution scope: • Define objectives and scope for review • Undertake independent assessment of the ACT water sector's organisational capability to deliver core roles and responsibilities. • Implement required measures to address any identified capability gaps or opportunities.	• Dependent on option 2 • Would only be completed if needed (for example, as raised by midterm review)	Scope and commence within 1 year	Lead: OoW Support: all water sector agencies	Capability review conducted and recommendations implemented
Option 11: Build capability and capacity through learning and development	See solution scope: • Establish and deliver ongoing learning and development programs	• Dependent on option 2 • Dependent on option 9	1-year to 2-years and ongoing.	Lead: OoW Support: all water sector agencies	Learning and development programs in place
Option 13: Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	See solution scope: • Conduct a review of: – current programs, funding and performance and estimate required funding. – public funding mechanisms available to the sector – potential alternative funding arrangements – opportunities to improve skills and capability in developing budgetary and business case submissions. • Implement recommended changes	• Dependent on option 12. Would be completed as raised by midterm review)	Within 2 years	Lead: OoW Support: all water sector agencies	Strategic financial planning for the sector is completed and recommendations implemented
Delivery of new policy areas and asset development					
Refresh of the ACT Water Strategy 2014-2044: Striking the Balance		• Parallel to option 2 (roles and responsibilities review) • Input to options 10, 14 and 15	1 year	Lead: OoW	Refreshed ACT Water Strategy endorsed Annual reporting
Develop a long-term Integrated Water Management Plan		• Dependent on Water Strategy refresh	2 years	Lead: OoW	Integrated Water Management Plan1
Develop Ngunnawal Ngadjung Water Initiative		• Parallel to option 2	1 year	Lead: OoW	Program plan established

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
Implement Ngunnawal Ngadjung Water Initiative		• After development	4 years	Lead: OoW	Program implemented
Scope and implement Water Information Hub (WIH)		• Dependent on options 10, 14 and 15 • Would be completed after mid-term review successful and budget bid	2 years	Lead: OoW	WIH scoped WIH budget submission approved WIH delivered / go live

4.4. High-level implementation schedule

A Gantt chart presenting high-level implementation dates for the reform agenda is in Figure 3. The OoW should update and develop the schedule into a detailed work program that will deliver the reform agenda and new policy initiatives.

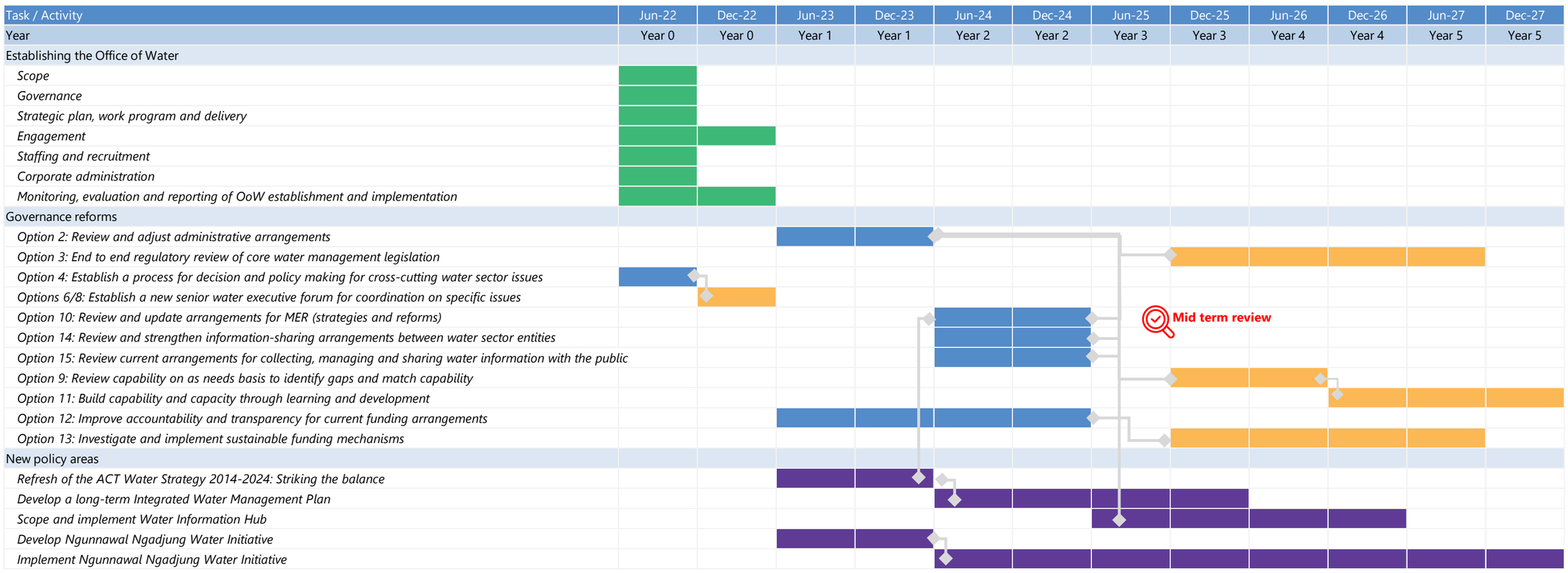


Figure 3 High-level implementation schedule

Appendix A - Assessment of reform options

Table 15 presents a summary of the assessment of each reform option against each of the assessment criteria set out in section 2.3. It also includes an evaluation outcome statement that summarises the overall assessment, based on a consideration of the criteria as a whole and Advisory Group feedback.

The reform options included in the table were presented to and discussed with the Advisory Group in workshop 4. The wording of each reform option reflects the agreed wording and scope of each option following workshop 4. The assessment outcomes included in the table reflect the workshop 4 outcomes, as discussed with the Advisory Group.

Table 15 Summary of assessment of reform options

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
1	Better specify existing roles and responsibilities (in current administrative arrangements) and strengthen accountabilities through agreements and performance measures	**Lower order priority, consider on an as needs basis.** May be of value if other higher-value options (i.e., option 2) are not implemented.	Partial improvements to roles, responsibilities, and accountabilities. Does not address duplicated or fragmented roles, responsibilities or accountabilities.	Improves sector performance to achieve vision and objectives.	Clarifies roles, responsibilities and accountabilities, but would not improve allocation and alignment.	Low costs, however, may not deliver the greatest benefits for the sector.	Straightforward implementation. Requires active participation and implementation by stakeholders.	Option may not go far enough to achieve required outcomes.	Redundant if option 2 or 3 selected. Foundational for achieving other options if options 2 or 3 are not selected.
2	Review and update administrative arrangements to better align with core water policy, planning, operational and regulatory functions	**Confirmed reform priority.** High value to the sector. The most effective response to cases of unclear and duplicative roles and responsibilities and fragmented accountability.	Addresses lack of clarity and duplication of roles. Allows for functional separation of roles and responsibilities and streamlining of accountability.	Improves sector performance to achieve vision and objectives. Strengthens accountability through streamlining.	Addresses the need for clearer roles, responsibilities and accountabilities, and improves coordination and decision making through improved arrangements.	Benefits in efficiency and achievement of outcomes would outweigh implementation costs.	Review requires extensive sector-wide engagement. May result in significant administrative changes.	Conditional support provided appropriate sector-wide engagement in the process.	Foundational for coordination and capability options. Duplicative of options 1 and 3 (contingent on scope).
3	End to end regulatory review of core water management legislation to ensure legislation is fit for purpose, and that roles, responsibilities and accountabilities (administrative arrangements) are aligned with and enabling to the objects of the legislation	**Secondary reform option.** Of value to the sector, however not as straightforward as other options.	Addresses lack of clarity and duplication of roles. Allows for functional separation of roles and responsibilities and streamlining of accountability.	Improves sector performance generally, however unlikely to provide significant uplift alone.	Clarifying roles, responsibilities and accountabilities is high priority. Legislative Review is not seen as critical to improving governance.	High transaction and disruption costs depending on scope of legislative and administrative changes. Benefits realisation through implementation may outweigh costs.	Review requires extensive sector-wide engagement. May result in significant legislative and administrative changes.	Support for changes to administrative arrangements. Legislative changes not seen as necessary at this time.	Foundational for coordination and capability options. Duplicative of options 1 and 2 (contingent on scope).
4	Establish an agreed process for handling cross cutting water sector issues, and escalating to senior decision makers those issues which require trade-offs to be considered	**Confirmed reform priority.** Of value to the sector. Able to be implemented efficiently.	Resolves lack of clarity on processes to progress and resolve water sector issues. Requires buy-in from relevant agencies, clear roles and responsibilities and effective interagency coordination.	With clear roles, responsibilities, accountability and effective coordination mechanisms between agencies, it would likely result in an uplift in achievement of outcomes.	Urgent, given current impasse on some cross cutting issues.	Benefits from progress on lagging policy gaps and areas is likely to outweigh implementation costs.	No major changes required but needs resourcing and strong support to be effective.	There is Advisory Group support for this option.	Depends on clear roles and responsibilities (options 1, 2, 3) Complementary to options 5 – 8.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
5	Reinvigorate the Directors' General Water Group (DGWG) or Senior Executive Water Group (SEWG) to support improved interagency coordination on water management	**Not to be progressed.** Option would improve interagency coordination; however other options are more likely to be effective in the longer-term. Can be implemented if issues emerge in the future.	Positive step towards improved coordination, however, may be hindered by lack of visibility and stagnation that resulted in meetings ending in 2018/19.	Together with clear roles, responsibilities and accountability, improving coordination between agencies would lead to uplift in achievement of outcomes.	Improving coordination between agencies is urgent and critical for water management in the ACT but this option might not address this issue.	Moderate costs. Desired benefits may not be realised.	Straightforward implementation.	There is Advisory Group support for a coordination forum if required in the future, however trepidation about reinvigorating these groups due to legacy issues.	Depends on clear roles and responsibilities (options 1, 2 3). Complementary to option 4. Likely to be mutually exclusive to 5.
6	Establish a new or alternative forum/s to drive inter-agency coordination	**Secondary reform option.** Of value to the sector, but not as high a priority compared to other governance issues. Could be progressed in the future.	Similar to option 5 but avoids potential legacy issues. Membership will need to be carefully considered to ensure representatives have both technical knowledge and appropriate delegation for decision making.	Together with clear roles, responsibilities and accountabilities, improving coordination between agencies would lead to uplift in achievement of outcomes.	Improving coordination is urgent as it is currently impeding the discussion and resolution of key items that will help the sector achieve desired outcomes.	Benefits of improved coordination likely outweigh implementation costs.	Similar to option 5 and could draw on existing structures to inform redesign.	There is Advisory Group support for a coordination forum if it is required in the future.	Depends on clear roles and responsibilities (options 1, 2 3). Complementary to option 4. Likely to be mutually exclusive to 5
7	Revise the remit of the ACT and region Catchment Management Coordination Group (CMCG) to provide a forum for progressing inter-jurisdictional coordination	**Not to be progressed.** This option would potentially deliver value to the sector but is not considered a priority relative to other options.	Interagency coordination and decision making require more urgent attention. The CMCG is not well suited to deal with broader regional and cross-boundary water management issues outside of its legislated remit.	As the CMCG is a catchment management group, the option would only be expected to address related outcomes.	Interjurisdictional level coordination is important but not considered as critical as other priorities for the sector.	Moderate costs (including legislative changes) but potential for benefits over time through improved regional decision making.	Requires legislative amendments and funding to support secretariat and work program delivery. May result in additional expenses if membership expanded.	While the CMCG has many major players for regional decision making it is not the right forum for ACT Government decision making.	Depends on clear roles and responsibilities (options 1, 2 3) Likely to be mutually exclusive to option 8.
8	Establish a new mechanism - with support from both ACT and NSW governments - to develop a clear work plan to progress inter-jurisdictional water management issues	**Secondary reform option.** Of value to the sector, but not as high a priority compared to other governance issues. Could be progressed in the future.	A new interagency forum could improve interjurisdictional coordination for water management issues but would need to be carefully considered so as to not duplicate (and hence diminish) existing forums.	Improved inter-jurisdictional coordination could support achievement of water strategy outcomes by enabling effective responses to shared cross border issues.	Interjurisdictional level coordination is important but not considered as critical as other priorities for the sector.	Moderate costs but potential for benefits over time through improved regional decision making.	Requires upfront resourcing to establish the new forum, and ongoing resourcing to support secretariat functions and progress the work program.	There is Advisory Group support for a coordination forum if it is required in the future.	Depends on clear roles and responsibilities (options 1, 2 3) Likely to be mutually exclusive to option 7.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
9	Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	**Secondary reform option.** A potentially valuable option, but it is a significant and disruptive exercise. Not a priority until other options are implemented.	Partially. May have limited effectiveness if not coupled with improved governance, roles and responsibilities.	If implemented well, the option would be a strong enabler of achieving the strategy outcomes, however, the potential for disruption could set achieving strategy and outcomes back.	Aside from well-known capability gaps this option is not critical. Other capability options, clarifying roles, responsibilities and coordination would make a greater contribution.	High costs. Unclear whether they would outweigh benefits.	Other options would be more practical to implement and at lower cost.	Capability generally identified as an issue. Support for sector wide review and response once appropriate overarching governance mechanisms are in place.	Should be completed after option 1. So as to not to duplicate scope of Review in option 2, this could be a complementary action once roles are clarified
10	Review and update arrangements for monitoring, evaluating, and reporting of the governance reform agenda and outcomes of water strategies	**Confirmed reform priority.** Important foundational activity for supporting performance of the OoW and the sector.	Assists in driving accountability, however, this would not be fully effective without appropriate oversight and performance incentives.	Provides greater accountability for achieving outcomes.	Monitoring, evaluation and reporting of the governance reform agenda will support the implementation and effectiveness of other options outlined in this report.	The review could be completed at relatively low cost. The likely benefits in terms of accountability would outweigh any additional administrative costs.	Simple to implement, however, requires adequate resourcing and attention to be useful.	Broad support for streamlining reporting arrangements.	Depends on clear roles and responsibilities (options 1, 2, 3). Information sharing arrangements (options 14, 15, 16).
11	Build capability and capacity through learning and development	**Secondary reform option.** Low cost, practical and complimentary to other options. However, there are more critical governance issues that need to be resolved first.	Can be used to target specific capability gaps, but unlikely to be effective alone. Only effective to the extent it is well targeted to specific or core gaps and supported by agencies.	Helpful to deliver specific outcomes and actions within the ACT Water Strategy but would need to be targeted to priority areas to do so.	Not critical compared to other options.	The relative costs are likely to be lower than the benefits of improved learning and development in targeted areas.	Does not require significant administrative, legislation, resourcing changes.	There is Advisory Group support for this, however it is not seen as fundamental for an OoW.	Understanding of capability gaps (i.e., identified via option 4, or parts of options 2 and 3)
12	Improve accountability and transparency for current funding arrangements and demonstrate the contribution of funds to the ACT wellbeing assessment framework	**Confirmed reform priority.** This option is critical for making improved decisions about the allocation of financial resources.	Tracking the use of financial resources against objectives is critical for funding allocation and prioritisation decisions. It contributes to a better understanding of resource use and funding gaps.	Adds to improved accountability. Contributes to achievement of outcomes through resulting clarity of funding required to achieve outcomes.	This is a critical activity, as without comprehensive understanding of how funding is allocated and spent, it is difficult to understand the relative gaps.	Benefits of increased accountability and transparency would outweigh initial and ongoing implementation costs.	Would result in changes to monitoring and reporting arrangements, and possibly financial systems.	Likely in-principle support, provided no additional regulatory burden is created and information is useful and used.	Foundational for option 13. Requires clarity of roles and responsibilities (options 1, 2 and 3).

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Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
13	Investigate and implement sustainable funding mechanisms.	**Secondary reform option.** Unsustainable funding constrains the achievement of water sector outcomes, however, there are limited options to increase funding in a competitive environment. This would help identify appropriate funding mechanisms to address this issue.	Increasing funding efficiency will address capability and capacity issues. However, competition for funding means that it is unlikely to provide significant uplift, without improvements to roles, responsibilities and coordination.	Contributes to achievement of outcomes through better use and alignment of funding to achieve desired outcomes.	This is a critical issue in some parts of the sector that are under-funded and under-investing in achieving desired outcomes.	Potentially significantly costs. Any potential mechanisms should clearly demonstrate value for money.	Practicality of options is dependent on preferred approach for funding.	Lack of available funding is acknowledged as an inhibitor to capability and capacity.	Builds on option 12. Dependent on clear roles and responsibilities (options 1, 2, 3).
14	Review and strengthen information sharing arrangements between water sector entities	**Confirmed reform priority.** Low cost and foundational for improving information sharing and supporting improved capability cross the sector.	Supports improved information sharing and builds sector capability. Will not solve issues relating to inefficiency or duplication alone.	Supports information sharing which is a capability enabler for achieving outcomes.	Less critical than establishing clear roles and responsibilities but is considered a foundational activity.	Low cost. Benefits likely to exceed the costs of strengthening data sharing arrangements.	Would not require any significant changes.	There is Advisory Group support for this option.	Dependent on clear roles and responsibilities (options 1, 2, 3) Enabling for options 15 and 16.
15	Review current arrangements for collecting, managing and sharing water information to understand what information is collected and the best way to provide it to agencies and the public.	**Secondary reform option.** Of value to the sector to understand information gaps and enable future information sharing functions.	Addresses the lack of publicly available and transparent information on water management. Contributes to management of organisational knowledge.	Aligned with the ACT Water Strategy in supporting improved public knowledge of ACT water management and promoting understanding and enhanced involvement.	There are other more critical actions.	Benefits from improved transparency and awareness of water management in the ACT would likely outweigh the costs.	Straightforward in principle, however, requires ongoing resourcing to ensure information is accessible, up to date, and useful.	There is Advisory Group support for this option, it is seen as an ideal function for the OoW.	Clear roles and responsibilities (options 1, 2 or 3) Depends on Option 14. Could be done in parallel with option 16.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
16	Develop a harmonised and integrated water information system for sharing water information between agencies and with the public	**Lower order priority, consider on an as needs basis.** Of value to the sector. It could be implemented once more urgent foundational options are taken forward and preliminary work on options 14 and 15 are completed).	Option would improve transparency, reduce duplication, improve consistency, and make water information more accessible for decision making. This would also contribute to improved efficiency.	The option is aligned with the ACT Water Strategy as it enables more efficient / effective achievement of outcomes.	Not urgent.	High initial and ongoing implementation costs. Benefits from improved transparency, reduced reporting duplication and improved accessibility for decision makers.	Requires changes to monitoring and information systems, funding, and stakeholder engagement.	Strong Advisory Group support for this option due to benefits from improved accessibility to information and reduced duplication of reporting.	Depends on clear roles and responsibilities (options 1, 2 3) Should align with option 10.

Appendix B - Governance reform scopes

Appendix B presents the governance reform scopes as set out in Table 1, Table 2 and Table 14. The solution scopes were presented to and discussed with the Advisory Group in workshop 4.

Option 2: Review and update administrative arrangements to better align with core water policy, planning, operational and regulatory functions

Purpose

To clarify and set more effective roles, responsibilities, and accountabilities for key water sector functions by reviewing and adjusting administrative arrangements and establishing clearer assignment of roles and functions between agencies.

Scope of work

This scope of work would cover the following steps:

- Review of current administrative arrangements and documentation of current roles and functions at the agency level for all agencies with water-sector responsibilities, with the following terms of reference:
  - set clearly allocated and distinguished roles, responsibilities and accountability for core water policy and direction setting, planning, service delivery and regulatory functions across the ACT water sector. This would include achieving greater structural separation where relevant (consistent with NWI 2004 and COAG 1994).
  - recommend any required structural changes or adjustments in response to proposed revised administrative arrangements
  - clarify Ministerial portfolios and agency accountability, authority and decision-making, and how these align with the legislative framework
  - identify any key capability or capacity gaps that would need to be addressed if recommended improvements to administrative arrangements were adopted.
- Cabinet considers review recommendations and endorses (at its discretion) revised administrative arrangements and supporting actions.
- Sector works to realign under clearer and more tailored administrative arrangements that support a functional separation of roles, responsibilities and accountability across relevant agencies.

This scope of work could be assisted by an interagency coordination forum and would benefit from a neutral lead reviewer that can engage with all relevant agencies.

Change required to deliver option

This option would propose changes to administrative arrangements and would therefore require engagement with relevant Ministers, portfolios and a Cabinet decision making process. It does not include scope for legislative amendments; however, the process may uncover the scope of or value in undertaking a more holistic review of the legislative framework for the water sector in the future.

Indicative resourcing and costs

This is a medium cost solution that would require resourcing to lead the review, time from relevant agencies to provide input, as well as input and support at the Ministerial level. It may also require resourcing for external specialist advice. It will therefore require a reasonable level of resourcing, as well as reasonable timeframes to deliver (as getting inputs, decisions and sign-off will take time).

Interdependencies and sequencing with other options

This is option duplicates part of the scope of Option 1 but could theoretically be undertaken in addition to Option 1. It would benefit from being delivered ahead of other options as it will have significant flow on effects to other governance improvements.

Timeframe

The review and decision-making process should occur within 6 months. Implementation should occur within 3 months.

Option 3: End to end regulatory review of core water management legislation

Purpose

To understand whether current legislation and practice are achieving their purpose or achieving them in the most effective manner and recommend improvements that support effective governance arrangements for the sector.

Scope of work

This scope of work involves a review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance. This review would consider the requirement for legislative amendments. The terms of reference would consider the how the relevant statutes, delegated legislation and practice support effective governance.

The review could be undertaken following the implementation of the roles and responsibilities review (option 2). The need for the review would be reconsidered as part of the mid-term review for the OoW.

Change required to deliver option

This option would include similar changes as option 2. However, given the potential for legislative amendments to be made, the standard ACT legislative process would also apply.

Indicative resourcing and costs

This is a medium cost solution that would require resourcing to lead review, time from relevant agencies to provide input, as well as input and support at the Ministerial level. It would also require specialist legal and regulatory advice. Resourcing would be higher than option 2.

Interdependencies and sequencing with other options

This is option duplicates part of the scope of options 1 and 2. The legislative review component could also be undertaken as a standalone initiative in 3-5 years' time once other governance reforms have

been implemented, or if there is evidence that the system is still not working and requires holistic consideration of the legislative framework.

Timeframe

Within 2 years.

Option 4: Establish an agreed process for handling cross cutting water sector issues and escalating and considering trade-offs

Purpose

To establish an agreed process between relevant water sector entities for progressing and resolving water sector issues.

Scope of work

This scope of work would cover the following steps:

- Identify and agree criteria for how agencies should work together to progress and resolve policy and decision making, include complex cross-cutting issues. These criteria could be based on the degree of shared responsibility and risk, and the resultant requirements for increasing collaboration between agencies. For example, the criteria could specify at what point in a policy or decision-making process an agency should:
  - Inform other agencies of decisions and policy that has been made. This could be when decisions or policy are within the remit of a single agency.
  - Consult with other agencies on decision and policy making. This could occur where decisions or policy are within the remit of a single agency, but will have a minor effect on other agencies, or where the input from other agencies may influence the decisions or policy.
  - Collaborate with other agencies on decision and policy making. Collaboration could be needed on issues where joint decisions need to be made, or where the outcome of a decision would create risks for or have a material effect on the work of another agency, or where an issue requires shared responsibility in the future.
- The above criteria should also specify a structure of how coordinating groups and senior executive forums work together to progress and escalate issues. For example, a senior executive forum could be the main group for progressing issues that require collaboration, with the option to escalate issues that cannot be resolved through this forum to Directors-General, and ultimately to Cabinet.
- Identify and agree which water sector issues and work programs align with each of the above criteria.
- Develop documentation of the agreed criteria and process, and the aligned water sector issues and work programs. This should include practical protocol documentation that can be used to support leadership groups and coordination forums understand their roles and responsibilities in relation to this process. Protocol documentation could also be included in the Terms of Reference for all relevant leadership groups or coordination forums.
- The process should be periodically reviewed to ensure that it functions as intended. This could occur after it has been used for the first few times, or on a set time-step (e.g., annually or biennially).

Change required to deliver option

This option would require the development of a cross-agency process for progressing and resolving policy and decision making, the development of documentation to support this process, and ongoing implementation of the process via leadership groups and interagency coordination forums.

When implementing this option, it will be critical that any associated leadership groups or coordination forums have well-functioning secretariat support, as the process developed through this option will need to be implemented in part through secretariat support (i.e., gatekeeping whether issues are relevant for each group as per the agreed process and ensuring decisions from groups and forums are communicated back to relevant staff).

It will be critical when escalating issues via leadership groups and coordination forums that all decision makers are well informed and briefed. Where desirable, joint technical briefings should be given to all group members to ensure all decision makers have a similar understanding of the issues they are being asked to resolve. Similarly, meetings should be designed for decisions to be collectively resolved.

Indicative resourcing and costs

Implementation of this option is seen as medium cost, as it would require meetings and support to develop, agree and document the inter-agency process. In the longer-term it will also need to be reviewed to ensure it is functioning as intended.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities first being established across all areas of the water sector. Implementation of this option is complementary to options 6/8 and could occur before or in parallel.

Timeframe

Within six months.

Options 6 and 8: Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination

Purpose

To establish a forum, with membership from all relevant water entities, and representatives with appropriate technical knowledge and authority to coordinate sustainable and integrated management of water resources in the ACT and region.

Scope of work

This scope of work would cover the following steps:

- Identify key cross-agency and cross-sector issues to be progressed through the selected group
- Determine membership of the new forum, that includes members from all relevant water entities, and define member roles and responsibilities. This should include representatives from all ACT Government directorates and teams with responsibilities for water policy, planning and management, including Icon Water. It could include representatives or observers from the National

Capital Authority, the Independent Competition and Regulatory Commission and key stakeholder groups, where appropriate.

- Set out a work program to progress the identified issues over time
- clarify expectations for:
  - meetings, attendance and authority, so that agency representatives (or delegates) have appropriate context and authority to make decisions
  - meeting tempo and schedule so that issues can be progressed with appropriate input at key decision points
  - reporting and minutes
  - review of the group's effectiveness, so that it remains fit for purpose over time.
- Document Terms of Reference for the forum
- Establish a secretariat to support the work of the forum, coordinate and prepare papers, record minutes and coordinate the forum work program.

Depending on the preferred model for an OoW, the Chair and secretariat could be performed by the OoW.

Change required to deliver option

A new committee structure and secretariat function to support the committee would need to be developed to implement this option.

Indicative resourcing and costs

Secretariat functions, including meeting organisation, coordination of papers and information sharing, and record keeping for the group should be appropriately resourced. If there is not the necessary expertise within the proponent agency, then relevant agencies could nominate staff with relevant expertise to work in secretariat (on secondment or permanently transferred). If these functions are not already in place and resourced on an ongoing basis, selection of this option may result in moderate additional costs.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector. It is complementary to and should occur in parallel, or immediately following Option 4.

Timeframe

Within six months.

Option 9: Review capability to identify gaps and match capability to core water management roles and responsibilities

Purpose

To further identify the level of capability (i.e.: the *quality* of resources, human and otherwise) required to implement water resources management in the ACT and address any gaps by matching appropriate

resources with those roles and responsibilities. This would respond to reported capability issues for core water management roles and responsibilities that lead to sub-optimal outcomes.

Scope of work

This scope of work would cover the following steps:

- Undertake an independent assessment of the ACT water sector's organisational capability (including skills, leadership, culture, systems and processes) to deliver core roles and responsibilities. The review would identify capability gaps and actions required to achieve desired performance in the following priority areas:
  - hydrologic modelling (quality and quantity)
  - water resource planning
  - flood risk management (for integrated land use planning, development control, land management)
  - water sensitive urban design (for assessing application designs and policy improvement)
  - monitoring, evaluation and reporting
  - Aboriginal (Ngunnawal) knowledge.
- Implement required measures to address any identified capability gaps or opportunities. This could include filling or uplifting human resources (skills), or changes to structures, systems, processes, or cultural settings that enable capability to be directed towards achieving organisational objectives.

Change required to deliver option

Implementing this option would include an independent sector-wide organisational capability review. This option would be undertaken separate to any administrative changes and would not require legislative change. Addressing any recommendations from the review would require an organisational change process to implement recommendations, for example creating additional roles or transfer of existing capability to match requirements, or changes, to structures, processes, systems or culture.

Indicative resourcing and costs

Costs associated with independent organisational review and implementing any changes (i.e., funding new roles, changes to systems, processes and associated change management).

Interdependencies and sequencing with other options

Capability review requires clarity of roles and responsibilities, so should be completed after any changes to administrative arrangements resulting from option 2.

This option duplicates the capability review part of the scope of options 2. If the full scope of option 2 was completed, it could be completed with a view to immediate uplift in the areas already identified above. In that case, this review would only be necessary as a potential longer-term option if extensive capability gaps persist.

The success of capability review would depend on the availability of organisational performance information and data. If this is not available, sequencing could be delayed until a program to collect this performance data is in force. In this case, a targeted review of the identified areas (and any others) could still be done in the short term to fill any immediate gaps.

Timeframe

Scope and commence within 1 year.

Option 10: Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies

Purpose

This reform streamlines current agency and entity reporting processes, and provides a consolidated monitoring, evaluating and reporting framework to assess the implementation of water plans, policies and strategies.

Scope of work

This scope of work would cover the following steps:

- Define a terms of reference, including:
  - the purpose of the review, being to improve coverage of agency performance data by:
    - identifying monitoring, evaluation and reporting requirements for understanding performance of agencies
    - identify gaps and opportunities for consolidating and streamlining
    - establish a consolidated MER framework for measuring agency performance.
  - the scope (roles, responsibilities and activities)
  - the agencies to be included in the review, based on final allocation of roles and responsibilities
  - outputs and timing.
- Initiate the review with the final terms of reference
- Implement the integrated framework.

Change required to deliver option

The option could be delivered by an internal government team, or independent external entity. Implementing the outputs of this option would result in changes to monitoring, evaluation and reporting requirements, including streamlining or additional requirements where there are information deficits.

Indicative resourcing and costs

Resourcing would be required for initial review and framework development. Ongoing costs would include for monitoring, evaluation and reporting against framework.

Interdependencies and sequencing with other options

The option has interdependencies with:

- Roles and responsibilities for core water management functions as clarified or updated through option.

- Refresh of the ACT Water Strategy and Implementation Plan, which would assign actions that agencies are responsible for.

Timeframe

Within 1 year.

Option 11: Build capability through learning and development

Purpose

Targeted activities to address gaps can be identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.

Scope of work

This scope of work would cover the following steps:

- Based on capability gaps, establish or make use of existing mechanisms to build capability and knowledge of staff, such as:
  - Peer-to-peer networks, communities of practice or linkages between agencies (including relevant interjurisdictional agencies for niche technical skills such as hydrologic modelling or demand planning)
  - Formal learning and development opportunities, including for technical, project management, leadership capability (including in relation to coordination forums)
  - Succession planning for key technical and leadership roles, given the relatively small scale of the sector critical knowledge can reside with just a few individuals.

Change required to deliver option

Changes would be minor and can be implemented regardless of the overarching governance arrangements for the sector.

Indicative resourcing and costs

Indicative resourcing and costs for this option would be low and corresponding to incremental staff participation costs for establishing any of the mechanisms.

Interdependencies and sequencing with other options

Requires understanding of capability gaps and priorities.

Timeframe

One to two years and ongoing.

Option 12: Improve accountability and transparency for current funding arrangements

Purpose

To improve accountability and transparency of funding available for water management under the existing quantum of available funding. This will contribute to improved understanding of what activities and outcomes funding is being used for, and the adequacy and efficiency of funding.

Scope of work

This scope of work does not increase the level of funding available for water management in the ACT. Instead, accountability and transparency for the use of existing funding streams would be enhanced. This would require:

- mapping of existing funding streams and allocations to agencies and outcomes
- defining monitoring and reporting requirements for activities-based tracking of funding
- implementing systems and processes to capture and manage this information
- governance and use of the information by a central entity to understand system wide use of funding.

Change required to deliver option

Implementing the option would likely require changes to monitoring and reporting requirements, and possibly changes to financial systems to capture and report on this information with the required granularity. No changes to funding, legislation or administrative arrangements.

Indicative resourcing and costs

Resourcing and costs would include for mapping funding streams to activities and specifying monitoring and reporting requirements, as well as ongoing implementation to collect and report this information.

Interdependencies and sequencing with other options

Requires clarity of roles and responsibilities,

Timeframe

Within 2 years.

Option 13: Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)

Purpose

This option would seek to investigate and implement sustainable funding mechanisms, to address current gaps in funding and a lack of funding certainty for policies, programs and services. This could include options to:

- increase funding

- improve competitiveness for funding
- identify alternative funding sources
- be more efficient with existing funding.

Scope of work

This scope of work could cover the following steps:

- Review current programs, funding and performance in these areas and understand the short-, medium- and long-term investment needs for the sector.
- Review public funding mechanisms available to the ACT water sector, identify potential alternative funding arrangements and consider optimising the allocation of existing funding sources to address gaps.
- Assist relevant agencies to improve skills and capability in developing budgetary and business case submissions.

Change required to deliver option

- Resourcing for review of current programs and funding requirements and available funding mechanisms
- The extent of additional changes would depend on the gaps and the desired (and suitability of) funding mechanisms to address the gap. For example, different solutions may require:
  - Changes to resourcing levels (if increasing funding)
  - Administrative or legislative changes (e.g., establishing new user charge or levy)
  - Establishing and resourcing support programs (to enable better business case development).

Indicative resourcing and costs

This is a high-cost option, as it will require a high level of resourcing to undertake the recommended reviews, and work to assist agencies to improve skills and capability in developing budgetary and business case submissions.

Interdependencies and sequencing with other options

This activity would follow option 12. Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2.

Timeframe

Within 2 years, with ongoing implementation.

Option 14: Review and strengthen information sharing arrangements between water sector entities

Purpose

To review and strengthen information sharing arrangements between water sector entities to improve access to information, ensure the retention of organisational knowledge in the longer-term, and support staff to deliver against their roles and responsibilities.

Scope of work

This scope of work would cover the following steps:

- Reviewing current information sharing arrangements between ACT and region water sector entities.
- Consulting with relevant entities on gaps in information sharing, and the type, format and frequency of information that is required to support implementation of their work.
- Recommendations from this review will identify improvements in processes and procedures for information sharing and inform the scoping of a water information platform.
- After implementation of the revised arrangements, ensuring that the arrangements are periodically reviewed to ensure they continue to meet water entities needs over time. This could occur every few years (e.g., biennially, or five-yearly).

Change required to deliver option

This option would require a review of current information sharing arrangements, gaps in information sharing, and water entities needs for information to support implementation of their work. The arrangements should be periodically reviewed to ensure they continue to meet water entities' needs over time.

Indicative resourcing and costs

This is considered a low-cost option. Resourcing would be required for the review of current arrangements and development of new arrangements. Implementation of arrangements would occur as a part of BAU, with the option for a review in the longer-term.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2. Implementation of this option could occur in parallel to Option 15 and would inform scoping and development for a water information hub.

Timeframe

Within one year.

Option 15: Review and strengthen current arrangements for managing and sharing information transparently with the public

Purpose

To review and strengthen current arrangements for managing and sharing information with the public, to address the lack of publicly available and transparent information on water management. Implementation of this option with also contribute to the management of organisational knowledge in the water sector.

Scope of work

This scope of work would cover the following steps:

- Review current practice and arrangements for managing and sharing water management information with the public, across all ACT Government directorates and teams with responsibility for water policy, management and planning. This should consider the extent to which current practice and arrangements enable or meet ACT Government commitments for transparent release of information and data to the public (for example, the Proactive Release of Data (Open Data) Policy 2015, or any water-specific commitments)
- Consult with stakeholders to determine what information relevant stakeholders and the general public would like to access in relation to water policy, management and planning.
- Develop sector-wide arrangements for how and what information is managed and shared with the public. This step may include a second round of stakeholder consultation on the draft arrangements if seen as beneficial to the process.
- Following implementation of the revised arrangements, ensure that the arrangements are periodically reviewed to ensure they continue to meet stakeholder needs over time. This could occur every few years (e.g., biennially, or five-yearly).

Change required to deliver option

This option would require a review of current information management and sharing arrangements, stakeholder consultation, development of revised arrangements and potential subsequent stakeholder engagement prior to the finalised of arrangements. The arrangements should be periodically reviewed to ensure they continue to meet stakeholder needs.

Indicative resourcing and costs

This is considered a medium-cost option, as it would require some stakeholder consultation and resourcing to develop the information management and sharing arrangements.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2. Implementation of this option could occur in parallel to Option 14 and would inform scoping and development for a water information hub.

Timeframe

Within one year.

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Approved	Will Fargher

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ATTACHMENT E – MAP OF ROLES AND RESPONSIBILITES IN ACT WATER SECTOR

Chief Minister^ | Minister for Business and Better Regulation | Minister for Water, Energy and Emissions Reduction* | Minister for the Environment | Minister for Planning and Emergency Services | Minister for Transport and City Services | Minister for Health

CMTEDD

National Capital Authority
- **Lake Burley Griffin water quality and waterway health**
- Cross-border catchment management issues

ICRC
- **Economic regulation – water pricing determination role**
- **Utility licence (Icon Water)**
- Examines investment decision-making for major supply augmentation decisions, and the cost and viability of non-drinking water in the ACT

Chief Minister
- Regional cross-border water supply and development issues
- Regional MOU Growth Strategy

Treasury
- Economic regulation of water including water pricing
- Oversight of water fees and charges
- Sets water abstraction charge levee and manages WAC revenue
- Reviews of non-drinking water pricing

Access Canberra

EPA
- **Statutory decision maker WR Act 2007, EP Act 1997**
- Water security and quality strategy improvements
- **Water allocation**
- **Water supply licences**
- **Environmental water releases (Basin Plan)**
- **Surface and groundwater resource compliance matters**
- **Administering EPA regulations (environment, water quality and waterway health)**
- Long-term water resource planning
- Urban water service planning
- Dam safety
- Sewer Authorisations
- Collects fees and charges
- Monitoring and reporting on regulatory activities

Utility Technical Regulator
- **Regulates non-drinking water supply, dam safety, water supply and sewerage services and networks**

EPSDD

Water Policy
- Strategy and planning for water quality
- ACT Water Strategy
- MDB Agreement, Basin Plan, NWI commitments
- Supports policy development WSUD
- Water efficiency policy
- Long-term water resource planning
- Secretariat (**ACT & Region Catchment Management Group**, DGWG, SEWG)
- Permanent WCM / Temporary WRR

Resilient Landscapes
- ACT Healthy Waterways
- Water science, monitoring and modelling
- Waterwatch
- Community education
- Water efficiency - implementation
- delivery of catchment management actions

Statutory Planning
- **Development assessment and approvals (drainage works, plumbing code, certifiers)**
- Assessment of WSUD requirements
- Leasehold system administration

Conservation Research – Aquatic & Riparian
- Fish monitoring, aquatic biosecurity
- Aquatic and Riparian Conservation Strategy

Conservator of Flora & Fauna
- **Protecting drinking water catchments**
- **Impact assessment - waterways**
- **Threatened aquatic species**

Environment Protection Policy
- Developing EPA legislation and policies, Environment Protection Act 1997 and Environment Protection Regulation 2005

Parks and Conservation Service
- **Catchment land management incl. fire**
- **ACT management of Googong Reserve within NSW**

JCS

ACT ESA
- Strategic Flood Risk Management Plan
- Emergency management response for flooding

TCCS

Stormwater
- Provides practical understanding of stormwater assets ownership to policy and standards
- Asset ownership perspective on performance of catchment management initiatives
- Own, manage, maintain and monitor stormwater system and assets
- Inner North Reticulation Network
- Water quality services (dredging, street sweeping, GPT material collection)
- Urban water service planning
- Stormwater MISO8

Dam Safety
- Provides practical understanding of dams asset ownership to policy and standards
- Asset ownership perspective on catchment management initiatives
- Delivery of hydrometric services
- Manage, maintain and monitor assets for water quality, flood

Note: Canberra Lakes and Ponds Plan of Management managed by TCCS City Services

ACT Health
- **Drinking water licencing authority**
- **Regulates drinking water quality**
- Monitors water quality (recreational water sites)

Bullet points in **bold** depict where a directorate/agency has a legislatively assigned responsibility

* Icon Water Shareholder & MDB Minco representative

^Icon Water Shareholder & Climate Action

Stormwater and floods

Drinking water

Regional water management

Wastewater

Policy and direction setting
Resource management
Service delivery
Regulation

Icon Water

- Water security and quality strategy improvements
- Catchment manager planning activities
- Support for water trading, environmental flows, water efficiency
- Long-term water resource planning
- **Major supply augmentation and wastewater infrastructure decisions**
- Cross-border catchment management issues
- **Own, operate, maintain drinking water supply**
- **Own, operate, maintain wastewater system**
- **Bulk water for Canberra and Queanbeyan**
- Water pricing (proposals)
- Long term infrastructure planning
- **Permanent WCM / Temporary WRR**
- Drought management
- Collects charges
- Reporting against standards and guidelines

Regulators

Policy

CABINET

Access Canberra

EPA

- **Statutory decision maker WR Act 2007, EP Act 1997**
- **Water supply licences**
- **Environmental water releases (Basin Plan)**
- **Surface and groundwater resource compliance matters**
- **Administering EPA regulations (environment, water quality and waterway health)**
- Dam safety
- Sewer Authorisations
- Collects fees and charges
- Monitoring and reporting on regulatory activities

Utility Technical Regulator

- **Regulates non-drinking water supply, dam safety, water supply and sewerage services and networks**

ACT Health

- **Drinking water licencing authority**
- **Regulates drinking water quality**
- Monitors water quality (recreational water sites)

National Capital Authority

- **Lake Burley Griffin water quality and waterway health**
- Cross-border catchment management issues

ICRC

- **Economic regulation – water pricing determination role**
- **Utility licence (Icon Water)**
- Examines investment decision-making for major supply augmentation decisions, and the cost and viability of non-drinking water in the ACT

CMTEDD

Office for Water

Chief Minister

- Regional cross-border water supply and development issues
- Regional MOU Growth Strategy

Central agency+ Cross border/ regional relationships

Central agency

Treasury

- Economic regulation of water including water pricing
- Oversight of water fees and charges
- Sets water abstraction charge levee and manages WAC revenue

Icon Water

EPSDD

Water Policy

- Strategy and planning for water quality
- ACT Water Strategy
- MDB Agreement, Basin Plan, NWI commitments
- Supports policy development WSUD
- Water efficiency policy
- Long-term water resource planning
- Secretariat (**ACT & Region Catchment Management Group**, DGWG, SEWG)
- Permanent WCM / Temporary WRR
- Long-term water resource planning
- Water security and quality strategy improvements
- Reviews of non-drinking water pricing

Conservation Research – Aquatic & Riparian

- Fish monitoring, aquatic biosecurity
- Aquatic and Riparian Conservation Strategy

Conservator of Flora & Fauna

- **Protecting drinking water catchments**
- **Impact assessment - waterways**
- **Threatened aquatic species**

Resilient Landscapes

- ACT Healthy Waterways
- Water science, monitoring and modelling
- Waterwatch
- Community education
- Water efficiency - implementation
- delivery of catchment management actions

Statutory Planning

- **Development assessment and approvals (drainage works, plumbing code, certifiers)**
- Assessment of WSUD requirements
- Leasehold system administration

Environment Protection Policy

- Developing EPA legislation and policies, Environment Protection Act 1997 and Environment Protection Regulation 2005

Parks and Conservation Service

- **Catchment land management incl. fire**
- **ACT management of Googong Reserve within NSW**

JCS

ACT ESA

- Strategic Flood Risk Management Plan
- Emergency management response for flooding

TCCS

Stormwater

- Provides practical understanding of stormwater assets ownership to policy and standards
- Asset ownership perspective on performance of catchment management initiatives
- Own, manage, maintain and monitor stormwater system and assets
- Inner North Reticulation Network
- Water quality services (dredging, street sweeping, GPT material collection)
- Urban water service planning
- Stormwater MISO8

Dam Safety

- Provides practical understanding of dams asset ownership to policy and standards
- Asset ownership perspective on catchment management initiatives
- Delivery of hydrometric services
- Manage, maintain and monitor assets for water quality, flood retardation, recreational use, non-drinking water supply, dam safety

Note: Canberra Lakes and Ponds Plan of Management managed by TCCS City Services

Important relationships to office
- Implementation
- Program
- Responsibility

Bullet points in **bold** depict where a directorate/agency has a legislatively assigned responsibility

* Icon Water Shareholder & MDB Minco representative

^Icon Water Shareholder & Climate Action

Policy and direction setting
Resource management
Service delivery
Regulation



DIRECTOR-GENERAL, CHIEF PLANNING EXECUTIVE AND UTILITIES TECHNICAL REGULATOR
Ben Ponton



DEPUTY DIRECTOR-GENERAL, ENVIRONMENT, WATER AND EMISSIONS REDUCTION
Geoffrey Rutledge

OFFICE FOR WATER

CO-ORDINATOR GENERAL
(Band 1)

Governance, outcomes, objectives defined and agreed
Clear roles and responsibilities
2-3 year work plan

SENIOR OFFICER GRADE A

INTERGOVERNMENTAL, GOVERNANCE, CULTURAL

SENIOR OFFICER GRADE B

SENIOR OFFICER GRADE C

ADMISTRATIVE SERVICE OFFICER 6

ADMINISTRATIVE SERVICE OFFICER 6

ADMINISTRATIVE SERVICE OFFICER 5/6

URBAN WATER POLICY AND PLANNING

SENIOR OFFICER GRADE B

SENIOR OFFICER GRADE C

ADMISTRATIVE SERVICE OFFICER 6

ADMINISTRATIVE SERVICE OFFICER 6

GRADUATE PLACEMENT

WATER INFORMATION AND ENVIRONMENT

SENIOR OFFICER GRADE C

SENIOR OFFICER GRADE C

2022-23 Budget – Business Case - Summary

Proposal Name: Establishing a holistic and coordinated approach to water management in the ACT - Office of Water

Lead Minister: Rattenbury

Supporting Ministers (and related Portfolio/s): NA

Brief Description: The proposal would fund establishment of a new Office of Water to implement governance reforms and deliver key water policy initiatives and water management improvements.

Additional Information

In response to the *Parliamentary and Governing Agreement for the 10th Legislative Assembly*, Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT during 2021-22 (the Review). The Review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions. Chronic governance issues were identified by an inter-agency Advisory Group (see Attachment F3) that relate to poorly defined roles and responsibilities across government agencies, inadequate capability and capacity (skills, funding, and information) and poor inter-agency coordination and decision-making on cross-sectoral issues. The proposed Office of Water and associated package of priority reform activities will be considered by Cabinet on 13 July 2022 (22/159).

Impact

The preferred model for delivering ACT water governance reforms is to establish an Office of Water to lead the implementation of all priority (foundational) governance reforms. This model would adopt all water policy and planning functions from EPSDD plus relevant functions from other agencies, subject to review and further consultation with the sector.

The core aim of an Office of Water is to enable ACT Government agencies that are working on elements of water management and policy to more holistically:

- clarify (or reset) the vision, objectives and goals for the sector;
- tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach;
- investigate and resolve deeper issues of governance and structure; and
- communicate with the public on ACT water resource management issues.

The Office would deliver the following new initiatives: Ngunnawal Ngadjung Water Initiative, Water Information Hub, Integrated Water Management Plan for long-term water security and climate adaptation, and revised ACT Water Strategy.

Resourcing

The proposal is for the Office of Water to operate for four years from July 2022 until June 2026. Funding for future years may be sought through a second budget bid in 2026.

Impacts	2022-23	2023-24	2024-25	2025-26	Total
Total $	2,309	3,283	3,400	3,316	**12,308**
Offset $	-928	-1,727	-1,754	-1,780	**-6,189**
Net financial impact	1,381	1,556	1,646	1,536	**6,119**
Net FTE	5	5	5	5	

2022-23 Budget – Business Case

Proposal Name: Building a water secure city - Office of Water

Brief Description: The proposal would fund establishment of a new Office of Water to implement governance reforms and deliver key policy initiatives in the water sector.

Lead Minister: Rattenbury

Portfolio: Water, Energy and Emissions Reduction

Supporting Ministers (and related Portfolio/s): N/A

Minister's recommendation:

This business case seeks funding for the program/s listed below:

a. Establishment of the Office of Water

This business case forms a multi-stage proposal and, if agreed, the following component may come forward as business cases in future budgets:

a. Ongoing funding for the Office of Water from 2027 onward, pending outcomes of a mid-term review of the Office in 2025.

This business case does not have any revenue implications.

Lead Agency: Environment, Planning and Sustainable Development Directorate

Supporting Agencies: Not a cross-agency proposal however there are cross-agency relationships and implications (see Section 6).

Electorate: All

Alignment with the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028?:

✓ Yes ☐ No

Alignment with the ACT Women's Plan 2016-26?:

☐ Yes ✓ No

Wellbeing domain 1: Environment and climate

Priority Target Group(s): The proposal will impact all ACT residents.

☐ Older Canberrans	☐ Women	☐ LGBTIQA+	☐ Carers
☐ Culturally and linguistically diverse people	☐ Children and Young people	☐ Aboriginal and Torres Strait Islander Peoples	☐ People with disability

Funding Category: New

Existing Program(s): N/A

Year to cease funding or ongoing: The proposal is for the Office of Water to operate for four years from July 2022 until June 2026. Funding for future years may be sought through a second budget bid in 2026.

Link to Budget consultation: No budget consultation has occurred.

Attachments:

F2	Timeline for implementation – Office of Water
F3	Summary of governance issues and reform agenda
F4	Investment Logic Map and early evaluation framework
F5	Detailed costings
C (refer Cab Sub)	Wellbeing Impact Assessment
E (refer Cab Sub)	Map of current ACT water governance arrangements

Financial impacts summary

Financial Impacts Summary (Preferred Option)	**2022-23 $'000**	**2023-24 $'000**	**2024-25 $'000**	**2025-26 $'000**	**Total $'000**
Capital Impacts					
Capital injection	-	-	-	-	**-**
Capital inflows	-	-	-	-	**-**
Capital offset – Existing provision[(a)]	-	-	-	-	**-**
Expense Impacts					
Expenses (staff and supplier)	2,309	3,283	3,400	3,316	**12,308**
Expenses – Offsets[(b)]	-928	-1,727	1,754	1,780	**-6,189**
Expenses – Offsets – existing provision[(a)]	-	-	-	-	**-**
Depreciation	-	-	-	-	**-**
Revenue[(c)]	-	-	-	-	**-**
Commonwealth contribution					
Savings	-	-	-	-	**-**
Staffing Impact	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Total FTEs (number)	9	13	13	13	
FTE offset	4	8	8	8	
Total additional FTE (number)	5	5	5	5	

Breakdown of Capital ($000)	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
					Nil
Breakdown of Expenses ($000)	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
Employee Expenses	**1,521**	**2,183**	**2,225**	**2,266**	**8,195**
Existing supplier budget – Water policy	150	300	300	300	1,050
Consultants, Contractors and Professional services[#]	625	675	750	725	2,775
Staff development and recruitment	13	25	25	25	88
Communication and computer expenses	0	100	100	0	300
TOTAL EXPENSES	2,309	3,283	3,400	3,316	12,308
Offset – existing staff and expenses	-928	-1,727	-1,754	-1,780	-6,189
NET EXPENSE IMPACT	1,381	1,556	1,646	1,536	6,119
Total additional FTEs (number)	***5***	***5***	***5***	***5***	

[#] Costs are associated with consultancy, contractor and community engagement expenses to deliver on the new initiatives and governance reform package listed in section 3. Specifically, development of a web-based water information platform, generating new hydrological information to support climate change adaptation and integrated water planning, improved evaluation and reporting of policy and program delivery, engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (including defining cultural flows, building community capability, and securing water entitlements and developing a business framework for economic development).

The costs provided above represent new funding.

In addition to the new FTE included in this business case, it is assumed that some existing resources attached to FTEs would need to be transferred from within EPSDD and other agencies. Further information on this is provided at Section 3 - Proposed Solution.

Part A – The Business case

1. Problem statement

Scientific monitoring of catchment condition and water quality, and reviews of policy and policy implementation highlight significant issues resulting from the current governance arrangements. Critical governance gaps have been identified that lead to multiple unmitigated strategic risks. Resolving these risks requires a package of reforms that must be delivered with the appropriate level of authorisation and capacity to perform.

Climate adaptation risk assessment conducted by the ACT Office of Climate Action identifies drought and drinking water supply as a high strategic risk for the ACT; the risk assessment report is scheduled to be presented to Cabinet on 19 May 2022. Icon Water (2021, *Report on the Survey of the ACT Drinking Water Catchment 2019-21*) presents analysis of the change in inflows into the ACT 's water storages over the last 20 years. This analysis indicates that climate impacts on our water resources are occurring now, decades earlier and more pronounced than in the climate modelling used for the adaptation risk assessment. In addition to the reduction in water availability, the resultant effect of

the changing climate is also evident in the declining water quality, increased temperatures and more frequent extreme weather events.

The Catchment Health Indicator Program (CHIP) collects data across the upper Murrumbidgee catchment. Over the period 2019-2020, approximately 59% of reaches across the upper Murrumbidgee catchment fell into the fair or poor range. For the 15 reaches of Ginninderra Creek catchment, where over 42% of ACT residents live, only one reach was classified in 'good' condition, with the remaining classified as fair (12) and poor (2). (CHIP reports 2019-2020)

The Office of the Commissioner for Sustainability and the Environment (OCSE) is concluding a review into the effectiveness of the ACT Government's management of Canberra's urban lakes and waterways. The final report is scheduled to be presented to the Assembly on 6 June 2022, however, early findings highlight a number of systemic problems impacting ACT waterways and resulting in high turbidity, algal blooms, untreated stormwater impacts, and poor policy implementation (e.g., water sensitive urban design) (Alluvium 2021, *ACT Waterways Policy Review*). The review points to a lack of clear governance to guide strategic decision making to protect and improve the health of urban lakes and waterways.

Current water management arrangements

In response to the *Parliamentary and Governing Agreement for the 10th Legislative Assembly*, EPSDD led a review into water governance in the ACT during 2021-22 (the Review). The Review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions. Chronic governance issues were identified by an Advisory Group made up of ACT Government agency and Icon water representatives (see Attachment F3) that relate to poorly defined roles and responsibilities across government agencies, inadequate capability and capacity (skills, funding, and information) and poor inter-agency coordination and decision-making on cross-sectoral issues.

A map of current roles and responsibilities was developed as part of the review (Attachment E). The mapping reflects dispersed and/or overlapping governance arrangements, strategic policy gaps and unagreed stakeholder perspectives on current roles and responsibilities.

Uncertainty over ownership of cross-sectoral issues has contributed to poor collaboration and policy implementation. For example, in the response to the 2018 ACT Auditor General's report on *Acceptance of Stormwater Assets*, an inter-governmental action group was formed and delivered an action plan. Without clarity on the decision-making authority for this issue, the plan has not been taken forward for endorsement or implementation. Similar challenges exist on topics of water security, integrated water management and cross-border planning and supply (Aither 2021, *ACT Governance Review - scoping paper on current issues and potential improvements*). The Review clearly demonstrates that current institutional arrangements and resourcing (capacity and capability) is inadequate to respond to current and emerging strategic risks. Relying on existing resources will not provide improvement in the delivery of current statutory functions or new initiatives.

If left unaddressed, these issues threaten to undermine the ability of the ACT Government to effectively manage the ACT's water resources into the future, with ongoing impacts for all residents of the ACT and surrounding region that use and value the region's water resources. These risks are compounded with the effects of a growing population (within the ACT and the surrounding region) and changing climate. The potential consequences would be a further decline in water quality that impacts human health (e.g., blue green algae and bacterial loads), reduced water security and the inability to respond to increasingly severe droughts, increased frequency of extreme rainfall events

and heightened flood risk (NARCliM 1.5). See Section 5 Risk Management and Attachment C for the Wellbeing Impact Assessment.

Why now?

Governance issues remain outstanding because no one agency has the authority, mandate and, importantly, the resourcing to drive the necessary reforms. Previous attempts have been made to address poor cross-sectoral coordination through the cross-agency Director-Generals Water Group and Senior Executives Water Group. These groups were established to respond to the Millennium Drought and ceased once the drought ended.

Stakeholders' insights provided through the water governance review offer that an unclear mandate, unclear processes for elevating and resolving issues and inadequate capacity to service the workflow diluted the effectiveness of both executive groups. Broader governance, strategic direction, decision-making responsibility and capacity (resourcing) issues will need to be addressed before any cross-sectoral coordination group can be effective.

2. Options analysis

A structured process was used to identify and prioritise current water governance issues and develop a solution set (priority reform agenda) with input from the Advisory Group (Attachment F3). Four different governance models were explored to deliver the package of priority reform activities. The need to centralise core responsibilities, to be led from a single entity (Office of Water), was identified as critical to resolve the systemic issues impacting the water sector.

Consideration of different governance models implemented in the ACT and other jurisdictions has guided the necessary functions and characteristics being proposed for the ACT Office of Water. Other governance models that informed the options comparison presented at Table 1 include: a coordinating role as performed by ACT Office for Climate Action; an independent statutory authority such as the Office for the Commissioner for Sustainability and the Environment; and a water agency that centralises all regulatory and operational responsibilities e.g., New South Wales Office for Water. The proposed model for the ACT Office of Water (option 3, Table 2) is considered a proportionate response to effectively address the critical problems identified.

Detailed assessment of the water reform activities and the proposed governance model for the Office of Water is documented in the ACT Water Governance Review, Stage Two report - *Final Reform Options and Implementation Guidance* (Aither 2022).

Resourcing options considered in developing the proposal include phased funding (to 2026) and the transference of budget with water management functions from agencies to the Office of Water.

The proposed Office of Water and associated package of priority reform activities will be considered by Cabinet on 13 July 2022 (22/159).

2.1 Options comparison – water governance

Table 1.

	Option 1	Option 2	Option 3	Option 4
	No new funding allocation	**Medium cost ($3,278,000 net)**	**Optimal cost ($6,119,000 net)**	**Maximum cost ($13,078,000 net)**
Role of Office	**No office**	**Office as assurance/facilitator only**	**Office as policy lead, responsible for priority governance reforms**	**New central water agency**
Funding phasing	Annual	Funding for four years.	Funding for four years.	Ongoing funding.
Approach	Some minor reforms* led without an Office of Water by existing agencies. Establish a new cross-agency coordination forum to resolve critical issues.	Office undertakes targeted assurance reviews over four years, as directed by the Minister. Office is located within EPSDD. Office coordinates minor reforms* but is not responsible for implementation of reforms – reforms remain within the responsibility of existing agencies.	Head of the Office of Water (HoOW) to lead the Office. Office is located within EPSDD. Office leads all priority governance reforms and reports to the Minister on implementation of reforms. Office centralises all water policy and planning functions, including some functions currently with Environment Protection Authority (EPA). Office undertakes assurance reviews as directed by the Minister, e.g., implementation of Water Strategy.	Office of Water established as a new central water agency (not within EPSDD), with direct accountability and reporting to the Minister for Water. Head of Office established as a CEO type position with increased delegated decision-making from the Minister e.g., issuing of entitlements. As with Option 3, but with additional operational, program delivery, service delivery (Inner North Reticulation Network) and regulatory responsibilities.
Outcomes	Minor reforms would lead to improved inter-agency coordination and information sharing. Limited improvement in environment conditions and water management.	Minor reforms would lead to improved inter-agency coordination and information sharing. Limited improvement in water management. Responds to some implementation risks.	All priority governance reforms, and policy initiatives progressed. Significant improvement in water security and environmental condition. Effective response to strategic issues such as climate change and water security.	All priority governance reforms, and policy initiatives progressed. Significant improvement in water security and environmental condition. Effective response to strategic issues such as climate change and water security.

			Improved public confidence and trust in government.	Improved public confidence and trust in government.
Benefits	Managed within existing budgets. No organisational change. This option represents the status quo. Limited benefits.	Provides opportunity to undertake targeted assurance reviews. Coordination forum is established to support cross agency communication and collaboration. Supports implementation of existing water functions.	Implementing the reforms in full, filling strategic policy gaps and aligning/centralising most policy and planning functions would lead to improved wellbeing benefits (see Attachment C). Effective mitigation for strategic risks – policy gaps and policy implementation issues. Single point of reference for public and industry on water matters. Minimises workforce disruption through focusing improvements on policy and planning functions. Delivery of new initiatives – Water Information Hub, Ngunnawal Water Initiative, Long term water security and climate adaptation planning, refresh of the ACT Water Strategy.	Implementing reforms in full would resolve outstanding governance issues and outcomes for the sector. Effective mitigation for strategic risks. Strong alignment between policy, planning, regulation and program delivery. Single point of reference for public and industry on water matters. Delivery of new initiatives – Water Information Hub, Ngunnawal Water Initiative, Long term water security and climate adaptation planning, refresh of the ACT Water Strategy.
Disadvantages	This option only proposes that minor improvements are undertaken (e.g., information sharing, clarifying existing responsibilities). Does not address the significant and systemic governance issues identified across the sector. Strategic risks remain unmitigated. Does not deliver on the Water Information Hub, water security and climate change planning and only limited delivery of the Ngunnawal Water Initiative.	This option only proposes that minor improvements are undertaken (e.g., information sharing, clarifying existing responsibilities). Does not address the significant and systemic governance issues identified across the sector. Strategic risks remain unmitigated. Does not deliver Water Information Hub, no new information generation to support water security-climate change adaptation planning, limited	More expensive than Options 1 and 2. Requires some disruption to the institutional arrangements to realign responsibilities.	New agency structure does not allow for separation of policy and regulation/compliance (an important element of good governance). Highest cost option. Requiring major machinery of government change with significant disruption to workforce/water sector. Slow to establish in practice.

		advancement of Ngunnawal Water Initiative.		
Timescale	Annual. Activities to be conducted in one year (subject to budget). Benefits to be incurred over decades, or potentially undetectable, as the improvements to governance arrangements are minor.	Costs incurred over four years. Benefits to be incurred over decades as the improvements to governance arrangements are minor. Some reform to policy and program delivery would improve outcomes for lakes and rivers (see Attachment C).	Costs incurred over four years. Benefits incurred over a shorter time span than Option 1 and 2 due to the resourcing and institutional arrangements to drive reforms. Enables better policy and program delivery and ultimately outcomes for lakes and rivers (see Attachment C).	Costs ongoing if established as permanent new agency. Benefits incurred as for Option 3.
Major Risks	This option relies on existing level of resourcing dispersed across multiple agencies. Inadequate capacity and capability have been identified as a key constraint in the sector. Without additional resourcing the proposed minor reforms are unlikely to be prioritised/implemented by existing agencies. A coordination forum will have limited effectiveness until other governance issues are resolved. High reputational risk of no change in water management.	While the Office would coordinate and report on reform implementation, implementation remains the responsibility of existing agencies and are unlikely to be progressed under existing resourcing limitations. New policy development (e.g., integrated water planning, Ngunnawal Ngadjung Water Initiative) not funded, would be subject to future funding. Integrated water plan is limited in scope and cannot be supported by quantitative analysis. Does not support a diversification of water supply for climate adaptation.	Delivering a reform and policy agenda sets high public expectations for significant improvement in administration and short-term water management outcomes. The proposed reform agenda provides a proportionate risk treatment to the strategic risks identified through the Governance Review and other reviews.	Does not allow for structural separation of water resource management, regulation and service delivery (consistent with the 2004 *Intergovernmental Agreement on a National Water Initiative*).
Evaluation/ Wellbeing	Any improvement in water governance arrangements will contribute to improved outcomes for river and lake health and aquatic ecosystems. Options 3 and 4 (where the reform agenda is implemented in full) will support measurable improvements in wellbeing outcomes than compared with Options 1 and 2 (where only partial reforms are pursued).			

*Minor reforms would include:

1. Better specifying existing roles and responsibilities through inter-agency agreements and performance measures
2. Building capacity and capability of staff through learning and development
3. Reviewing information sharing arrangements between agencies and the public

3. Proposed Solution

Resolving the extensive and entrenched issues identified requires a package of reform activities that redefines the future direction for the water sector, provides leadership and builds capability for developing innovative solutions.

The fragmented nature of water management (e.g., policy, planning, regulation, resources) has contributed significantly to the chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management, provided the Office is enabled to coordinate the centralisation of policy and planning functions, has authority to drive improvement and is adequately resourced to act (Option 3, Table 2).

The Office would initially be funded for four years with its continuation subject to an independent review in the third year (2025).

The Office for Water

The preferred model for delivering ACT water governance reforms is to establish an Office of Water that leads the implementation of all priority (foundational) governance reforms. This model would adopt all water policy and planning functions from across EPSDD, plus relevant functions from other agencies subject to review and further consultation with the sector. Functions that may be transferred from other agencies relate to cross-border policy and regional water planning, water service planning, and water allocation and trade, water accounting and reporting, for example (see section below on Proposed Structure of Water).

Water related responsibilities not transferred to the Office of Water (e.g. service delivery, regulation, relevant activities such as development planning) could be managed through a consultative forum, to be developed during the establishment phase of the Office.

The core aim of an Office of Water is to enable ACT Government agencies that are working on elements of water management and policy to more holistically:

- clarify (or reset) the vision, objectives and goals for the sector;
- tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach;
- investigate and resolve deeper issues of governance and structure; and
- communicate with the public on ACT water resource management issues.

The Office would be located within EPSDD, with responsibility to:

- lead policy and planning for the ACT water sector, including regulatory setting (e.g., setting environmental authorisations for water quality issues);
- implement the full package of governance reforms (see Attachment F3);
- undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;
- provide the primary point of engagement with ACT community on water sector issues; and
- undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

Priority foundational reform activities to be delivered by the Office is provided in Attachment F3. In addition to these reform activities, the Office of Water would deliver the following:

- Refresh of the ACT Water Strategy 20214-44: Striking the Balance.
- Develop and implement a Ngunnawal Ngadjung Water initiative.
- Develop a long-term Integrated Water Management Plan for water security and climate adaptation.
- Establish a Water Information Hub.

The package of deliverables that contribute to and align with the Wellbeing domain of Environment and Climate are set out in Attachment C.

This model was assessed as providing the most effective and efficient means by which to implement the reform priorities identified through the Water Governance Review.

Head of the Office of Water

It is proposed that the Office is led by a departmentally appointed Head of Office of Water (HoOW), reporting to the Deputy Director-General (Environment, Water and Emissions Reduction) and the Minister for Water. This position will be absorbed within EPSDD's current budget.

Changes to Administrative Arrangements are likely to be required to align relevant responsibilities of the Office of Water under the Minister for Water. Reviewing Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions is proposed as a priority reform item (Attachment F3). In the interim, a delegation instrument may be used to define initial responsibilities assigned to the HoOW.

Proposed structure of the Office of Water

It is proposed that the Office could be structured along four themes, as shown in the table below. The *Existing FTE* figures in the table below are estimates only, approximated across the four years (22/23 to 25/26). They are subject to further consultation.

THEME	**Total FTEs**	**Existing FTEs**	**New FTEs**	**Potential responsibilities for team**
1. Inter-governmental Water Policy and Governance Reform	3	3	0	Implementing governance reforms, assurance and policy evaluation, cross border supply, National Reporting, National Water Initiative, Murray-Darling Basin (MDB) Authority requirements, Council of Australian Governments requirements, catchment coordination. **Some FTEs could be transferred from EPSDD/CMTEDD - subject to further consultation*
2. Urban Water Policy and Planning	4	1	3	ACT Water Strategy, Integrated Water Management Plan, Water Sensitive Urban Design, integrated wastewater planning Lakes and Ponds Plan of Management, Sub-catchment water planning, flood risk planning, delivery of water trading, water accounting and reporting. ** FTEs to be transferred from within EPSDD - subject to further consultation*
3. Environment and Culture	2	2	0	Environmental flows, Long-term Watering Plan (MDB), water quality, cultural water.

				**FTEs could be transferred from within EPSDD*
4. Water Information	3	1	2	Development of information hub, data management, modelling, monitoring, evaluation and reporting of water quality and quantity. ** FTE to be transferred from within EPSDD*

FTE	**FY 22/23**	**23/24**	**24/25**	**25/26**
Existing positions (EPSDD, and positions transferred from other agencies - TBC)	3	7	7	7
Head of Water executive position – EPSDD to offset	1	1	1	1
New FTEs	5	5	5	5
TOTAL	**9**	**13**	**13**	**13**

Out of Scope

The Office will not assume responsibilities for:

- operational and program delivery e.g., Natural Resource Management activities, Waterwatch, Healthy Waterways, asset maintenance) - these will remain within the relevant functional area within the relevant agency;
- compliance activities for example compliance for water take, monitoring of water quality - these will remain the responsibility of the EPA who will report on compliance activities to the Office and Government;
- service provision - this will remain with Icon Water and Transport Canberra and City Services Directorate (TCCS); and
- dam safety - this will remain with the Utilities Technical Regulator (UTR).

Coordination Forum

A cross-government senior-executive coordination forum would be established to provide advice to the HoOW - see Section 5 Governance. Resolving the purpose and nature of this forum would be an early deliverable for the Office.

Intended outcome and beneficiaries

Good governance is essential for supporting a resilient and water-secure city; for ACT residents to access secure water supply and to enjoy the amenity values provided by the ACT's rivers and lakes.

The proposal aligns with the Wellbeing domain of Environment and Climate. The intended outcomes and beneficiaries are described in detail in Attachment C.

The Investment Logic Map provided at Attachment F4 illustrates the benefits and deliverables from the proposed package of reforms. The Office of Water and the package of reforms aims to improve the effectiveness of policy and program delivery, provide integrated water supply and wastewater management and improve public confidence in the ACT Government's water management. The proposed governance arrangements provide a proportionate response to the current and emerging

strategic risks associated with climate change and the pressure of population growth on the long-term security of the ACT's water resources.

The Office would provide a single point of contact for the public on water sector issues and improve public transparency and accountability for water management.

Delivery

Delivery timeframes are set out at Attachment F2. The proposal is a stand-alone proposal.

A separate business case has been developed to strengthen the capacity of the Environmental Protection Authority (EPA) to deliver it regulatory responsibilities. The regulatory responsibilities of the EPA will remain separated from the policy and planning responsibilities proposed for the Office of Water. The EPA and Office of Water business cases are complementary but distinctly separate in their resourcing requirements.

EPSDD would lead the initial establishment of the Office. In the six months from July – December 2022 (subject to Cabinet approval), EPSDD would recruit the Head of Office of Water (HoOW), progress required administrative changes to establish the Office including the delegation instruments, and initiate recruitment for the Office.

The proposed resourcing for this Business Case has been costed to deliver:

- existing water management functions and responsibilities that are proposed to be centralised in the Office of Water, where inadequate capacity and capability (resourcing) have been identified as negatively impacting implementation of Government policy and programs (refer to Section 1 – Problem Statement).
- new initiatives and governance reform package listed in Section 3. Activities include development of a web-based water information platform, generating new hydrological information to support climate change adaptation and integrated water planning, improved evaluation and reporting of policy and program delivery, engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (e.g. defining cultural flows, building community capability, and securing water entitlements and developing a business framework for economic development).

Source of funding

Revenue from the Water Abstraction Charge (WAC) could be used towards funding the new Office. The WAC is charged to recover catchment management costs and environmental costs associated with water extraction.

The ACCC annual Water Monitoring Report (2019, 2020) and the ACT Commissioner for Sustainability and Environment (2018) highlight a disjuncture between WAC revenue and expenditure on water management activities in previous years. EPSDD's 2022 report to the ACCC indicates an $18.8 million difference between WAC revenue and relevant expenditure on water resource management.

The issues identified through the ACT Water Governance Review highlight that the level of resourcing for some years has been insufficient to support effective water management. The transfer of existing staff resourcing assumed in the proposed budget through remains insufficient to deliver current policies and proposed new initiatives without new funding.

This business case represents an increase in the base funding to support the water resource management outcomes intended by the WAC, and consistent with the National Water Initiative

Water Pricing Principles. Funding to establish the Office of Water, implement reforms and new initiatives could be legitimately assigned to revenue raised through the WAC.

4. Policy alignment

This proposal responds to an executive reform order in the *Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly* to *'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.*

The proposal also responds to a 2019 resolution passed by the ACT Legislative Assembly on water security, which called upon the ACT Government and Icon Water to:

- continue to implement and promote the ACT Water Strategy 2014-44: Striking the Balance;
- hold consultations with water stakeholders and experts; and
- ensure climate change projections are considered in long-term planning and decision-making regarding water use and restrictions.

5. Implementation, governance, risk management

Implementation

The timeline for key deliverables is provided at Attachment F2.

Creating the required authorising environment for the Office would require amendments to the Administrative Arrangements to align responsibilities with the Minister for Water, new/revised inter-agency agreement (Memorandum of Understanding or similar) and delegation instruments. Timely establishment of the Office would benefit from dedicated resourcing within the first 6 months.

The Office would be hosted within EPSDD to maintain close alignment between policy, planning, program delivery (Healthy Waterways) and science (Conservation Research). The new Office would use the existing corporate and administrative support systems (HR, ICT, finance etc).

An organisational strategic plan, annual work plan and performance framework would guide the early establishment and on-going operation of the Office to deliver the reform priorities and key deliverables.

There are two key milestones for the Office:

1. At the end of the second year (2024) – review of the effectiveness of priority foundational activities to determine whether further reforms are necessary. For example, amendments to the *Water Resources Act 2007*.
2. At the end of third year (2025) - a mid-term review on the effectiveness of the Office of Water.

Governance

The HoOW will report to the Minister for Water.

A coordination forum would be established to provide strategic advice on cross-cutting issues and policy development. The terms of reference for the forum and its establishment will be delivered by the Office within the first six months of operation. Representation may be comprised of senior executives from EPSDD, Chief Minister, Treasury and Economic Development Directorate (CMTEDD), EPA, TCCS, Icon Water and other representatives as deemed appropriate.

Risk management

The key risks associated with the proposal include:

- Capability and capacity to deliver reforms - ensuring the Office has adequate resourcing and can access the skills and capability required to deliver the reform and policy agenda effectively in the time scheduled.
- Leadership – recruiting the right person to lead the Office with appropriate leadership experience and dedicated capacity to focus on the water reforms.
- Stakeholder management – ensuring the sector has stakeholder support to the proposed changes/reform agenda.

These risks would be managed through strong business planning, a collaborative cross-agency approach to change management (initiated with the water governance review), establishment of an Office with a culture of leadership and innovation, and an appropriate level of financial resourcing.

There are greater risks to the wellbeing of the ACT community by **not** undertaking the reforms as proposed i.e., options 1 or 2. Unaddressed governance issues, especially when facing compounding pressures of climate change and population growth, will have detrimental effects on the long-term management of the ACT water resources. The materialisation of this risk is evident under current arrangements. The proposed reforms aim to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability) under the status quo (option 1).

There is reputational risk in the continuation of unresolved issues, that could erode public confidence in the ability of the Government to manage water resources effectively.

6. Performance measures and evaluation

The Investment Logic Map (Attachment F4) describes the relationship between funded interventions, expected benefits and performance indicators that could be used to measure the intended wellbeing outcomes.

A mid-term review of the Office's operation would be conducted by an independent reviewer using an evaluation framework that aligns with the wellbeing impacts and delivery of key reforms. The evaluation framework would be developed in the first six months of the Office's establishment.

The ACT Water Strategy is proposed to be reviewed during the first year of the Office's function. The Strategy sets targets for delivering outcomes for the water sector. The Office would report annually against strengthened performance measures and targets in the Strategy. Setting annual measures of performance would be drawn from the National Performance Report (Bureau of Meteorology) and an Annual Implementation Plan for the Office.

7. Inter-agency collaboration and stakeholder input to proposal

This is an EPSDD proposal. However, there are cross-agency implications because some policy responsibilities currently residing in other agencies (CMTEDD, EPA) are proposed to be brought into the new Office of Water.

The Water Governance Review formed the basis for the package of reforms proposed within this business case. The Review involved an Advisory Group consisting of all agencies and Icon Water with responsibility for water management (CMTEDD, TCCS/Roads ACT, EPA, Emergency Services Agency (ESA)). The priority package of reform activities and model for the Office of Water was developed with extensive collaboration through the Advisory Group.

The costings and wellbeing analysis was developed by the EPSDD Water Policy team, with review by EPSDD Communications and Business Support teams (costings) and the CMTEDD Wellbeing Team (Wellbeing Impact Assessment).

The Dhawura Ngunnawal Caring for Country Committee have been consulted on proposed reforms and approach to establishing the Office of Water. They agree the need for improvement and are keen to continue discussions with the ACT Government on how the Office can support stronger participation of Ngunnawal people in water planning and management.

EPSDD Water Policy team will ensure the ACT and Region Catchment Management Coordination Group will be kept informed of progress in establishing the Office of Water and implementing the reform agenda.

8. Communications and engagement

There will be further stakeholder engagement and consultation in delivering this proposal. A full communication and stakeholder engagement strategy is proposed to be developed within the first three months of the Office being established, in consultation with the Minister's Office.

Early communications will focus on raising awareness about the new Office, its role and promoting the benefits for water management in the ACT and surrounding region. Targeted public consultation and communications products will be developed as key policies are progressed (e.g., the revised Water Strategy, Ngunnawal Ngadjung Water Initiative, Integrated Water Management Plan and review of Environmental Flow Guidelines).

The Office will be the first point of contact for the public on water information. A new online Water Information Hub is proposed to be built and hosted by the Office. The Information Hub would provide improved public access to all aspects water information within the ACT (including quality, flood, overland flow, water sensitive urban design, groundwater, bores, monitoring sites, compliance etc). By assembling hydrometric and monitoring information from across government in one place the Information Hub will also support improved technical capacity across government and evidenced-based policy and planning.

The Office will communicate with a wide range of stakeholders involved in water management including but not limited to:

- ACT Government Directorates (ESPDD, TCCS, CMTEDD, ACT Health, ESA)
- Utility providers - Icon Water and Queanbeyan-Palerang Regional Council
- ACT statutory positions (Environment Protection Authority, ACT Conservator of Flora and Fauna)
- New South Wales (NSW) Government (NSW Office of Water; NSW Department of Primary Industries and Energy; NSW Environment Protection Authority)
- Murray Darling Basin Authority
- Commonwealth Government (Department of Agriculture Water and the Environment; National Capital Authority)
- ACT and Region Catchment Management Coordination Group (statutory forum under the *Water Resources Act 2007*)
- Non-Government Organisations (e.g., Ginninderra, Molonglo and Southern ACT Catchment Groups; Waterwatch; Upper Murrumbidgee Catchment Network)
- Academic institutions – Australian National University, University of Canberra
- Exiting ACT water licensees
- General public, through occasional use of 'Your Say' site for public consultation on key policy development.

9. Detailed costs

Cost estimates

Detailed cost estimates are at Attachment F5.

Part B: Business Case Authorisations

Capital Works and Plant & Equipment Authorisations (sign-offs essential)

Authorisation	Name, position, signature and date
1. Functional brief/output specifications at [..] are sufficiently progressed in order to go to market under the delivery model selected and within the procurement timeline outlined in the business case.	(IFR/MPC representative) *
2. The benefits/needs analysis is based on evidence.	(Treasury representative) *
3. The delivery model selected is appropriate for the project risk profile and value.	(IFR/MPC representative) *

*This signature does not represent support for the proposal as a spending proposition.

ICT reviews (sign-offs essential)

Responsible area	Name, position, signature and date
1. Business system owner	
2. Budget Assessment Sub Committee	

ATTACHMENT F2 – TIMELINE FOR IMPLEMENTATION OF KEY DELIVERABLES

Key deliverables

Delivery components	**Outputs/ deliverables**	**Key deliverables timeframe**	**Point of assessment** (of deliverables)
Establish the Office	Head of Office of Water (HoOW) recruited	3 months	6 months from establishment of Office
	Recruitment new FTEs	3 months	
	Communications and engagement strategy developed	3 months	
	Program evaluation plan in place that links to wellbeing impact measures.	6 months	
Implement governance reforms	1. Review and adjust Administrative Arrangements to better align with core water, planning, operational and regulatory functions	6 months	3-year mid-term review/ program evaluation
	2. New inter-agency protocols and procedures for resolving cross-cutting issues are in place	6 months	
	3. Recommendations report on how to improve monitoring/reporting approach for reforms and Water Strategy	1 year	
	4. Accountability – WAC is accounted for in annual reporting	2 years	
	5. New protocols for information sharing arrangements between agencies/Icon is in place	1 year	
	6. New guidelines in place regarding information sharing arrangements with public	1 year	
New policy and asset development	1. Water Strategy has been reviewed and updated	1 year	
	2. Integrated Water Management Plan developed	2 years (begin development after Water Strategy revised)	
	3. Ngunnawal Ngadjung Water Initiative developed	1 year	
	4. Ngunnawal Ngadjung Water Initiative implemented	4 years	
	5. Water Information Hub established	2 years	
Conduct assurance reviews	Annual assurance work program	Years 1 - 4	

1. What are the key issues to respond to?

Governance issues were diagnosed against an assessment framework based on the OECD principles on water governance (Appendix A). The issues were tested with the Advisory Group to identify the key issues to respond to. These include the need to address:

- lack of clarity of roles, responsibilities, and accountabilities
- ineffective coordination, and
- inadequate or misaligned capability and capacity (skills, financial and information).

The clarity and coherence of the ACT policy and legislative framework for water management in relation to the vision and objectives in the ACT Water Strategy was also identified as a potential area for reform. However, feedback from the Advisory Group was that this should be considered in the context of the other governance issues raised, and so it is no addressed as a standalone issue in this paper.

A short description of issues and impacts is provided below.

1.1. Roles, responsibilities and accountability

Water sector roles and responsibilities are poorly defined and/or misunderstood (for example, in relation to progressing policy and responses to regional water security, or regional water service augmentation). There are also examples where of current administrative arrangements distribute accountability for outcomes across multiple ministers and agencies (such as for oversight of environmental protection, catchment management, and water quality. This makes it difficult to coordinate strategic or holistic responses to issues due to the number of entities involved. This leads to:

- lack of clarity about core outcomes and activities
- duplication/ fragmentation of roles and responsibilities
- gaps in roles and responsibilities (not performed)
- difficulty assuring performance/ outcomes / managing risks
- poor visibility across outcomes/ shared outcomes
- ineffective decision-making and coordination
- difficulty implementing strategic responses
- insufficient/ misaligned capability and capacity.

1.2. Coordination and decision making

Ineffective inter-agency coordination and decision-making on shared issues/ outcome areas. There is no defined approach across the ACT water sector for raising issues, coordinating decision making and responses, or addressing trade-offs when it comes to multi-stakeholder issues and integrated water management. This also extends to inter-jurisdictional decision making. This leads to:

- imperfect information / narrow stakeholder perspectives in decision making
- inefficient decision making / lack of consensus
- delayed / stalled progress on implementing key actions in the ACT Water Strategy and other shared issues
- a breakdown in communication to internal and external stakeholders as to how these issues are being considered and resolved.

1.3. Capability and capacity

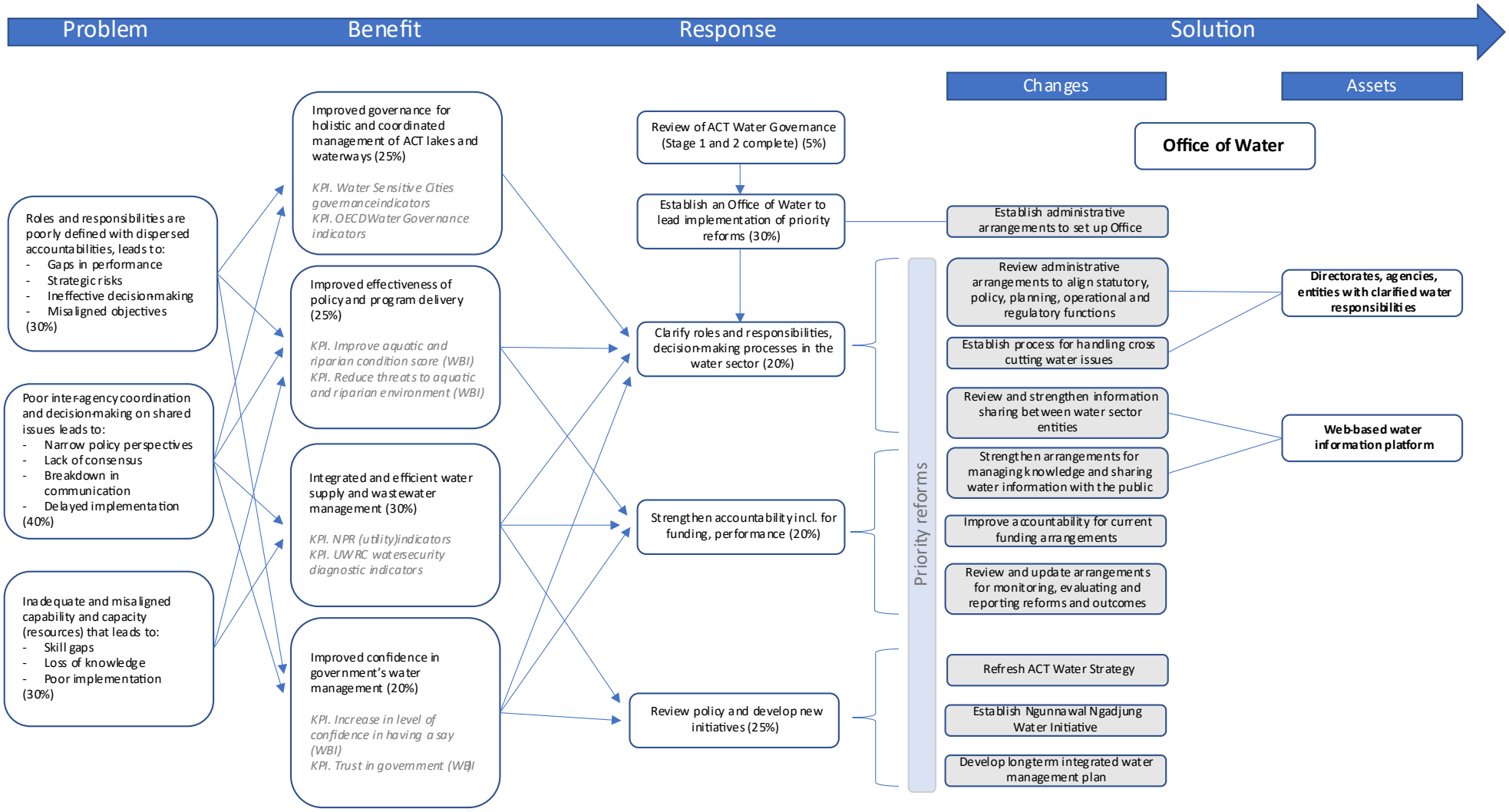
There is inadequate or misaligned capability and capacity (in terms of the quantity and quality of human, financial, and information resources) to implement roles and responsibilities across the sector and deliver on key outcomes and activities within the ACT Water Strategy and cross cutting initiatives. This is hindered by unclear and fragmented roles, responsibilities and accountabilities. This leads to:

- gaps in key skill sets to support policy development and decision making
- reduced ability to attract and retain suitably qualified staff
- lack of sharing of resources and information, and availability of information for decision making
- funding allocation and prioritisation that does not appropriately support desired outcomes
- poor retention of institutional knowledge in the medium to long-term
- duplication of some monitoring and reporting (cost)
- gaps in some monitoring and reporting.

PRIORITY FOUNDATIONAL REFORMS	*Roles, responsibilities and accountabilities*	1. Review and adjust Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions	This is a foundational activity to support other governance reforms, including reviewing and matching capability to core water management roles and responsibilities. This would involve reviewing current Administrative Arrangements and documentation of roles and functions at the agency level for all agencies with water sector responsibilities, and recommending any structural changes required through adjustments to administrative arrangements.
	Coordination	2. Establish a process for decision and policy making for cross-cutting water sector issues	The Office would establish an agreed process between relevant water sector entities for progressing and resolving water cross-cutting water sector issues, including guidance on when consultation and collaboration between agencies should occur, and thresholds for escalating issues for resolution.
	Capacity and capability	3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	This activity would streamline current agency and entity reporting processes, and provide a consolidated monitoring, evaluating and reporting (MER) framework to assess the implementation of water plans, policies and strategies.
		4. Improve accountability and transparency for current funding arrangements	The reform would support governance arrangements for the allocation of resources to align with priority capacity and capability requirements. This activity would involve mapping existing funding streams and allocations to agencies and establishing monitoring and reporting on funding for water management activities.
		5. Review and strengthen information-sharing arrangements between water sector entities	Access to information is essential for building and retaining corporate knowledge in the longer-term, and supporting agency staff to deliver against their roles and responsibilities. This would identify blockages in information sharing, and the type, format, and frequency of information required to support implementation of water management activities, and recommend agreements and procedures to improve information sharing. This activity should occur after activity 1 (review of Administrative Arrangements).
		6. Review current arrangements for collecting, managing and sharing water information with the public	This activity is integral to enhancing public trust and promoting accountability in management of the ACT's water resources, and a foundational step for establishing

			the Office as the point of contact for the ACT community on water information. The review would inform the scoping of a web-based 'Water Information Hub'.
SECONDARY REFORMS	*Roles, responsibilities and accountabilities*	7. End-to-end regulatory review of core water management legislation	Review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance or legislative amendments are required. This is not a priority. The Advisory Group agreed that, in general, current water legislation was fit for purpose and that gains could be made in improving the administration and implementation of legislation before an end-to-end review was required. Legislative review could be undertaken as a standalone activity in 3-5 years' time following the implementation of other governance reforms.
	Coordination	8. Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination	The priority reform activity 2 provides for the Office to establish a fit-for-purpose process for improved coordination and decision-making. The nature of any new forum or governance structure will be determined based on the outcome of reform activity 2 and subject to the priority activity.
	Capacity and capability	9. Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	A full sector capability assessment is not warranted at this point in time, however, the process of delineating roles of responsibilities may lead to the identification of capability gaps.
		10. Build capability and capacity through learning and development	Targeted activities to address gaps can identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.
		11. Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	This activity could follow priority reform activity 4 (improved accountability and transparency for current funding arrangements), and explore options to address funding gaps for policies, programs and services. Involves developing an understanding the short, medium and long-term investment needs for the sector, reviewing the funding mechanisms available to both optimise the allocation of existing funding and identify new options and mechansims.

Table 1. Early evaluation framework planning and possible indicators



Investment benefit (from Investment Logic Map)	Estimated timeframe for benefits to start	How will success be measured? Possible KPIs/indicators	How will data be collected?	When will data be collected?
Improved confidence in government's water management	1 year	More informed public on water issues (New measure)	Number of people accessing water information	Baseline - historical requests to EPA / water policy inbox Change – web hits on Water Information Hub, info requests of Office at 1 year, 2 years
	2 years	Increased level of confidence in having a say on water issues (New measure based on WBI '*increase in having a say and being heard*')	Survey through yoursay or similar	Baseline - survey Change - survey at 1 year, 2 years
	2 years	Increased trust in government to manage water issues (New measure, based on WBI '*trust in government*')	Survey through yoursay or similar	Baseline – survey Change – survey at 2 years, 3 years
	1 years	Increased participation of Ngunnawal people in water (New measure)	Consultation with Dhawura Ngunnawal Caring for Country Committee	Baseline – consultation as part of the Governance Review Change –consultation at 1 year, 2 years
Improved governance for holistic and coordinated management of ACT Lakes and Waterways	2 years	Improved water governance (New measure using OECD (2018) Water Governance Indicator Framework)	Multi-stakeholder self-assessment workshop	Baseline – stakeholder workshop in first six months using OECD framework Change – workshop at 3 years
		More water sensitive city (New measure using water sensitive cities index – good water governance indicator)	Multi-stakeholder self-assessment workshop	Baseline - Water Sensitive Cities 2018 Benchmark report (ACT) Change – workshop at 3 years
Integrated and efficient water supply and	3 years	More integrated water supply and wastewater management (New measure on quantity of recycled wastewater supplied to	Icon Water reports annually on quantity recycled water supplied through NPR Framework.	Baseline – 2021/22 measure Change – measure in years 2, 3,4

wastewater management		customers and/or number of customers) Additional measures could be developed using Water Security Definition Diagnostic Indicators, and/or National Performance Reporting Framework (NPR) Indicators)		
Improved effectiveness of policy and program delivery	5 years - decades	Healthier aquatic environment in ACT rivers and lakes (WBI measure - increase in aquatic and riparian condition score)	Timing and method for collecting against this measure TBC with CMTEDD Wellbeing Team	Baseline – 2021/22 score Change – score in year 3
		(WBI measure – reduce threats to aquatic and riparian environment)	Timing and method for collecting against this measure TBC with CMTEDD Wellbeing Team	Baseline – 2021/22 score Change – score in year 3

Attachment 5F - Detailed costing preferred option with offsets

User Guidance for Business Case Costing Template

a. This spreadsheet provides eight sheets (tabs 3 -10) that can be used to provide costing input for the business case.. Tabs that require input from business case preparers are highlighted green.

b. All cells/rows/columns that require input are highlighted in green. Please go through each Tab carefully and provide data input where applicable in green highlighted cells. Other cells are locked and should not be changed

c. **Tab 3 - Recurrent Staff Cost** is for additional FTEs required for delivery of the **expense** component of the proposed project. You are required to input FTE numbers against the correct classificaiton by filling columns C to T.

d. **Tab 4 - Capital Staff Cost** is for additional FTEs required for delivery of the **capital** component of the proposed project. This is generally staff who are building or commissioning the asset (not design work). You are required to input FTE numbers against the correct classificaiton by filling columns C to T.

e. **Tab 5 - Unfunded staffing** is for existing staffing resources that will be utilised for the delivery of the proposal for which no additional funding is being sought.

f. **Tab 6 - Recurrent Supplier Cost** is for non-employee costs asssociated with expense components of the proposal. Examples of the cost breakdown names are provided for reference, please update the cost categories as per resourcing needs of the business case. Please also specify the resource to be engaged within the corporate areas such as fleet costs or equipment in addition to the standard ICT equipment.

You are also required to select the expense type (GBMS Account Name) for each cost category.

g. **Tab 7 - Capital Supplier Cost** is for non-employee costs asssociated with **capital** components of the proposal. Capital should

Provide the basis for costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc)

Construction works are subject to a training levy of 0.2%. A self-assessment is required for each component of the capital works costs against below criteria, and amount to be entered in the specified cells in Tab 7.

Assessment criteria for construction works subject to training levy:

• building and construction works as defined under **Schedule 1** of the *Building and Construction Industry Training Levy Act 1999* are subject to Training Levy (https://www.legislation.act.gov.au/View/a/1999-30/current/html/1999-30.html) – with the following exceptions:

— constructions works that require building approval through EPSDD

— works that may not be construction works in nature such as planning, feasibility studies and design works etc.

h. **Tab 8 - Asset rollout** - Used by busienss areas to indicate when they will complete work in progress and when it will become a completed asset in use. It also captures how long the asset will provide benefit to the govnerment. This will be used for several back end accounting calculations, such as depreciation.

i. **Tab 9 - Revenue, Savings and Offsets** complete when a business case delivers either quantifiable efficiencies, reduction in expenses or demonstrable increase in revenue. Use this tab only if there are realisable offsets and financial benefits in the business case. If agreed by the Cabinet, these savings or offsets will have an impact on the business division's budget.

j. **Tab 10 - Procurement forecast** - Allows for forecast of signing contracts and other procurement activity.

k. After completing all tabs the summary tab will provide a summary of the costing of the business case.

For all enquiries regarding this template, contact EPSDD Budget Co-ordination team at <**EPSDBudgetCo-ordination@act.gov.au**>

EPSDD Business Case Costing Template - Summary

Business Case No:	E14
Business Case Name:	Building a Water Secure City
Output Class	02 Environment
Funding: Ongoing or non-ongoing?	Non-ongoing - subject to mid-term review in 2025
Cross Directorate Impact (pick from the drop-down list)	
Has a component of DSGC? (Yes/No)	No

Financial Impact Summary	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Capital Impact					
Capital (staff and supplier)	-	-	-	-	**-**
Expense Impacts (a)					
Expenses (staff and supplier)	2,309	3,283	3,400	3,316	**12,308**
Expenses - Depreciation/Amortisation	-	-	-	-	**-**
Revenue/Savings/Offsets Impacts					
Revenue	-	-	-	-	**-**
Savings	-	-	-	-	**-**
Offsets (b)	- 928	- 1,727	- 1,754	- 1,780	**- 6,189**

Staffing Impact	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total $'000**
FTE	9.0	13.0	13.0	13.0	
Offset from existing FTE/Internal funding	4.0	8.0	8.0	8.0	
Net additional FTE	**5.0**	**5.0**	**5.0**	**5.0**	
Capital staffing costs ($'000)	-	-	-	-	-
Recurrent staffing costs ($'000)	1,521	2,183	2,225	2,266	5,977
Offsets from existing funding ($'000)	778	1,427	1,454	1,480	2,920
Net additional Recurrent staffing costs ($'000)	**743**	**756**	**771**	**786**	**3,057**

The information contained in this table should feed into the Business Case Financial Impacts Summary table.

(a) For capital works proposals, this should be the whole of life cost.

(b) Applies also to expenses associated with capital works and ICT proposals, with the exception of Repairs and Maintenance expenses

2021-22 AVERAGE SALARY COSTING TEMPLATE (Whole of Government) - Recurrent cost for new FTE

Instructions

This template should be used for employees not constructing or contributing to the construction of an asset

Complete each year full time equivalent employees required in each month by putting the number of employees in columns C to N

You need to repeat this for each financial year. Scroll down for future financial years. You will have to complete four years of data. The final year will be the basis of any ongoing positions.

Indicate in column P if the position is temporary or ongoing. If There are two positions and one is ongoing and one isn't indicate this in text (eg "Of the two SOG C one is ongoing and one is for 2022-23 only)

To asssit with internal budgeting (and to ensure correct alignment in your budget), indicate what cost centers. The Error check in column U will indicate if you haven't done. If you need a new cost centre please enter "new".

If unsure enter "TBA".

	FTE BY MONTH														Cost Centre Percent Split					
Position level	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Total FTE	Employment Type (temp/ ongongoing)	12111	12360			Total (%) Cell should not exceed 100%	Error check for allocation
SOG C	1	1	1	1	1	1	2	2	2	2	2	2	1.5	Ongoing	67%	33%			100%	Allocated

Results of the costs are calculated and displayed in column AG to AN. Summary of results are displayed at the bottom of this sheet.

Assumptions

All salary rates are based on rates as at 30 June 2021 and includes all direct costs for the employee (super and leave)

Administrative costs associated with increased FTE (ie Corporate costs) are included

ANY OTHER COSTS, such as training, professional memberships and other non-standard staff support, MUST be entered in the supplier costs tab

	FTE BY MONTH														Cost centre splits					
Position level	Jul-2022	Aug - 2022	Sept-2022	Oct -2022	Nov -2022	Dec -2022	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Total FTE	Employment Type (temp/ ongongoing)	12173				Total (%) Cell should not exceed 100%	Error check for allocation
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2022-23			Cost centre split $				
Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)	12173	0	0	0	Total ($) Cell 'AP' needs to be matching with Cell 'L'
INFRA 1	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 2	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 3	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 4	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 5	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C	3.0	478,311	########	$ -	$ -	$ -	########
SOG B	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG A	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 1	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 6	2.0	264,788	########	$ -	$ -	$ -	########
Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG B(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 3	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 4	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO C	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO B	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO A	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
PO1	0.0	0	$ -	$ -	$ -	$ -	$ -
PO2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 6	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 7	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 8	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 9	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 10	0.0	0	$ -	$ -	$ -	$ -	$ -

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

5.0 743,098

	FTE BY MONTH														Cost centre splits					
Position level	Jul-2023	Aug - 2023	Sept-2023	Oct -2023	Nov -2023	Dec -2023	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Total FTE	Employment Type (temp/ ongongoing)	12173				Total (%) Cell should not exceed 100%	Error check for allocation
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	3 ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	2 ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2023-24	Formula based, no input required						
Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)	12173	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
INFRA 1	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 2	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 3	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 4	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 5	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C	3.0	486,712	########	$ -	$ -	$ -	########
SOG B	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG A	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 1	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 6	2.0	269,442	########	$ -	$ -	$ -	########
Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG B(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 3	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 4	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO C	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO B	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO A	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
PO1	0.0	0	$ -	$ -	$ -	$ -	$ -
PO2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 6	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 7	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 8	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 9	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 10	0.0	0	$ -	$ -	$ -	$ -	$ -

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

5.0 756,153

	FTE BY MONTH														Cost centre splits					
Position level	Jul-2024	Aug - 2024	Sept-2024	Oct -2024	Nov -2024	Dec -2024	Jan -25	Feb -25	Mar -25	Apr -25	May -25	Jun -25	Total FTE	Employment Type (temp/ ongongoing)	12173				Total (%) Cell should not exceed 100%	Error check for allocation
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	3 ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	2 ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2024-25	Formula based, no input required						
Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)	12173	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
INFRA 1	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 2	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 3	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 4	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 5	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C	3.0	496,318	########	$ -	$ -	$ -	########
SOG B	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG A	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 1	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 6	2.0	274,745	########	$ -	$ -	$ -	########
Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG B(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 3	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 4	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO C	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO B	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO A	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
PO1	0.0	0	$ -	$ -	$ -	$ -	$ -
PO2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 6	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 7	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 8	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 9	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 10	0.0	0	$ -	$ -	$ -	$ -	$ -

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

5.0 771,063

	FTE BY MONTH														Cost centre splits					
Position level	Jul-2025	Aug - 2025	Sept-2025	Oct -2025	Nov -2025	Dec -2025	Jan -26	Feb -26	Mar -26	Apr -26	May -26	Jun -26	Total FTE	Employment Type (temp/ ongongoing)	12173				Total (%) Cell should not exceed 100%	Error check for allocation
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2025-26	Formula based, no input required						
Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)	12173	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
INFRA 1	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 2	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 3	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 4	0.0	0	$ -	$ -	$ -	$ -	$ -
INFRA 5	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C	3.0	506,114	########	$ -	$ -	$ -	########
SOG B	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG A	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 1	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
ASO 6	2.0	280,153	########	$ -	$ -	$ -	########
Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG C(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
SOG B(T)	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 3	0.0	0	$ -	$ -	$ -	$ -	$ -
Technical Officer 4	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO C	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO B	0.0	0	$ -	$ -	$ -	$ -	$ -
SPO A	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 1	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 2	0.0	0	$ -	$ -	$ -	$ -	$ -
Park Ranger 3	0.0	0	$ -	$ -	$ -	$ -	$ -
PO1	0.0	0	$ -	$ -	$ -	$ -	$ -
PO2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 2	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 3	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 4	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 5	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 6	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 7	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 8	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 9	0.0	0	$ -	$ -	$ -	$ -	$ -
GSO 10	0.0	0	$ -	$ -	$ -	$ -	$ -

Formula based, no input required

Impacts	2022-23	2023-24	2024-25	2025-26	Total
$	743,098	756,153	771,063	786,267	3,056,581
FTE	5.0	5.0	5.0	5.0	

5.0 786,267

The above calculations include administrative on-cost for new employees. If there is any additional admin on-costs that are relevant to the recurrent staff cost please include those expenses in Recurrent Supplier Cost tab.

CABINET

THIS OPTION DOES NOT PROVIDE FUNDING FOR STAFF. ONLY Complete the below template for existing resources being used to support the initative.

Instructions

The purpose of this template is to assist in providing a complete cost for the project. Employees costs will not be included in the normal business case summary.
Complete each year full time equivalent employees required in each month by putting the number of employees in columns C to N
You need to repeat this for each financial year. Scroll down for future financial years. You will have to complete four years of data. The final year will be the basis of any ongoing positions.
Indicate in column P if the position is temporary or ongoing. If There are two positions and one is ongoing and one isn't indicate this in text (eg "Of the two SOG

Results of the costs are calculated and displayed in column AG to AN. Summary of results are displayed at the bottom of this sheet.

Assumptions
EPSDD doesn't require funding for employees entered into the template
All salary rates are based on rates as at 30 June 2021 and includes all direct costs for the employee (super and leave)
Administrative costs associated with increased FTE (ie Corporate costs) are included
ANY OTHER COSTS, such as training, professional memberships and other non-standard staff support, MUST be entered in the supplier costs tab

* Position by each classification can be split for up to 5 cost centre (Use drop down option to select your cost centre from cell AE18 - AI18)
IF you don't require position splitting between multiple cc, you don't require to complete following table

2022-23

Position level	Jul-2022	Aug - 2022	Sept-2022	Oct -2022	Nov -2022	Dec - 2022	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Total FTE	Ongoing or Non ongoing?
														e.g. Ongoing from March 2022
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C							1	1	1	1	1	1	0.5	ongoing
SOG B							3	3	3	3	3	3	1.5	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6							2	2	2	2	2	2	1.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4													0.0	
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.5	79,718
SOG B	1.5	279,254
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	1.0	132,394
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

3.0	491,366

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

2023-24

Position level	Jul-2023	Aug - 2023	Sept-2023	Oct -2023	Nov -2023	Dec - 2023	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Total FTE	Ongoing or Non ongoing?
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SOG B	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	162,237
SOG B	3.0	568,312
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	269,442
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	136,983
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

7.0	1,136,974

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

2024-25

Position level	Jul-2024	Aug - 2024	Sept-2024	Oct -2024	Nov -2024	Dec - 2024	Jan -25	Feb -25	Mar -25	Apr -25	May -25	Jun -25	Total FTE	Ongoing or Non ongoing?
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SOG B	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

2023-2024 — Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	165,489
SOG B	3.0	579,700
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	274,845
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	139,730
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

7.0	1,159,764

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

2025-26

Position level	Jul-2025	Aug - 2025	Sept-2025	Oct -2025	Nov -2025	Dec - 2025	Jan -26	Feb -26	Mar -26	Apr -26	May -26	Jun -26	Total FTE	Ongoing or Non ongoing?
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SOG B	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

2024-25 — Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	168,705
SOG B	3.0	591,011
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	280,153
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	142,430
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

7.0	1,182,299

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

Formula based, no input required

Impacts	2022-23	2023-24	2024-25	2025-26	Total
Supplier	150,000.00	300,000.00	300,000.00	300,000.00	1,050,000.00
$	641,366	1,436,974	1,459,764	1,482,299	3,970,403
FTE	3.0	7.0	7.0	7.0	

24.0	3,970,403

The below administrative on-cost for new emplovees are included in the staff cost calculation.

2022-23 AVERAGE SALARY COSTING TEMPLATE (Executive)

Assumptions

New staff superannuation rates have been applied as indicated.

The FBT vehicle allowance does not form part of salaries for the purposes of calculating superannuation entitlements

2022-23

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	158,818	24,000	182,818	21,024	7,500	4,758	1.44%	2,740.6	21,338	240,179		0
Level 1.2	172,249	24,000	196,249	22,569	7,500	5,094	1.44%	2,934.0	21,338	255,683		0
Level 1.3	185,671	24,000	209,671	24,112	7,500	5,429	1.44%	3,127.3	21,338	271,178		0
Level 1.4	199,039	24,000	223,039	25,649	7,500	5,763	1.44%	3,319.8	21,338	286,610	1.0	286,610
Level 2.1	212,527	24,500	237,027	27,258	7,500	6,113	1.44%	3,521.2	21,338	302,757		0
Level 2.2	231,249	24,500	255,749	29,411	7,500	6,581	1.44%	3,790.8	21,338	324,370		0
Level 2.3	249,963	24,500	274,463	31,563	7,500	7,049	1.44%	4,060.3	21,338	345,974		0
Level 2.4	268,758	24,500	293,258	33,725	7,500	7,519	1.44%	4,330.9	21,338	367,671		0
Level 3.1	287,561	25,000	312,561	35,945	7,500	8,002	1.44%	4,608.9	21,338	389,954		0
Level 3.2	299,098	25,000	324,098	37,271	7,500	8,290	1.44%	4,775.0	21,338	403,272		0
Level 3.3	310,970	25,000	335,970	38,637	7,500	8,587	1.44%	4,946.0	21,338	416,977		0
Level 3.4	322,663	25,000	347,663	39,981	7,500	8,879	1.44%	5,114.3	21,338	430,476		0
Level 4.1	334,258	25,500	359,758	41,372	7,500	9,181	1.44%	5,288.5	21,338	444,438		0
Level 4.2	343,922	25,500	369,422	42,484	7,500	9,423	1.44%	5,427.7	21,338	455,594		0
Level 4.3	356,325	25,500	381,825	43,910	7,500	9,733	1.44%	5,606.3	21,338	469,912		0
Level 4.4	388,391	25,500	413,891	47,597	7,500	10,535	1.44%	6,068.0	21,338	506,929		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**286,610**

2023-24

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	160,883	24,312	185,195	21,297	7,598	4,820	1.44%	2,776.2	21,615	243,301		0
Level 1.2	174,488	24,312	198,800	22,862	7,598	5,160	1.44%	2,972.1	21,615	259,007		0
Level 1.3	188,085	24,312	212,397	24,426	7,598	5,500	1.44%	3,167.9	21,615	274,703		0
Level 1.4	201,627	24,312	225,939	25,983	7,598	5,838	1.44%	3,362.9	21,615	290,336	1.0	290,336
Level 2.1	215,290	24,819	240,108	27,612	7,598	6,193	1.44%	3,567.0	21,615	306,693		0
Level 2.2	234,255	24,819	259,074	29,793	7,598	6,667	1.44%	3,840.1	21,615	328,587		0
Level 2.3	253,213	24,819	278,031	31,974	7,598	7,141	1.44%	4,113.1	21,615	350,471		0
Level 2.4	272,252	24,819	297,070	34,163	7,598	7,617	1.44%	4,387.2	21,615	372,450		0
Level 3.1	291,299	25,325	316,624	36,412	7,598	8,106	1.44%	4,668.8	21,615	395,023		0
Level 3.2	302,986	25,325	328,311	37,756	7,598	8,398	1.44%	4,837.1	21,615	408,515		0
Level 3.3	315,013	25,325	340,338	39,139	7,598	8,698	1.44%	5,010.3	21,615	422,398		0
Level 3.4	326,858	25,325	352,183	40,501	7,598	8,995	1.44%	5,180.8	21,615	436,072		0

Level 4.1	338,603	25,832	364,435	41,910	7,598	9,301	1.44%	5,357.3	21,615	450,216		0
Level 4.2	348,393	25,832	374,224	43,036	7,598	9,546	1.44%	5,498.2	21,615	461,517		0
Level 4.3	360,957	25,832	386,789	44,481	7,598	9,860	1.44%	5,679.2	21,615	476,021		0
Level 4.4	393,440	25,832	419,272	48,216	7,598	10,672	1.44%	6,146.9	21,615	513,519		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**290,336**

2024-25

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	162,974	24,628	187,602	21,574	7,696	4,882	1.44%	2,812.3	21,896	246,464		0
Level 1.2	176,757	24,628	201,385	23,159	7,696	5,227	1.44%	3,010.8	21,896	262,374		0
Level 1.3	190,530	24,628	215,158	24,743	7,696	5,571	1.44%	3,209.1	21,896	278,274		0
Level 1.4	204,248	24,628	228,876	26,321	7,696	5,914	1.44%	3,406.6	21,896	294,110	1.0	294,110
Level 2.1	218,089	25,141	243,230	27,971	7,696	6,273	1.44%	3,613.3	21,896	310,680		0
Level 2.2	237,301	25,141	262,442	30,181	7,696	6,753	1.44%	3,890.0	21,896	332,859		0
Level 2.3	256,504	25,141	281,645	32,389	7,696	7,234	1.44%	4,166.5	21,896	355,027		0
Level 2.4	275,791	25,141	300,932	34,607	7,696	7,716	1.44%	4,444.3	21,896	377,292		0
Level 3.1	295,086	25,654	320,740	36,885	7,696	8,211	1.44%	4,729.5	21,896	400,159		0
Level 3.2	306,925	25,654	332,579	38,247	7,696	8,507	1.44%	4,900.0	21,896	413,825		0
Level 3.3	319,108	25,654	344,762	39,648	7,696	8,811	1.44%	5,075.4	21,896	427,889		0
Level 3.4	331,107	25,654	356,761	41,028	7,696	9,111	1.44%	5,248.2	21,896	441,741		0
Level 4.1	343,005	26,167	369,173	42,455	7,696	9,422	1.44%	5,426.9	21,896	456,069		0
Level 4.2	352,922	26,167	379,089	43,595	7,696	9,670	1.44%	5,569.7	21,896	467,517		0
Level 4.3	365,650	26,167	391,817	45,059	7,696	9,988	1.44%	5,753.0	21,896	482,209		0
Level 4.4	398,555	26,167	424,722	48,843	7,696	10,810	1.44%	6,226.8	21,896	520,195		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**294,110**

2025-26

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	165,093	24,948	190,041	21,855	7,796	4,946	1.44%	2,848.9	22,181	249,668		0
Level 1.2	179,054	24,948	204,003	23,460	7,796	5,295	1.44%	3,049.9	22,181	265,785		0
Level 1.3	193,007	24,948	217,955	25,065	7,796	5,644	1.44%	3,250.8	22,181	281,892		0
Level 1.4	206,903	24,948	231,851	26,663	7,796	5,991	1.44%	3,450.9	22,181	297,933	1.0	297,933
Level 2.1	220,924	25,468	246,392	28,335	7,796	6,355	1.44%	3,660.3	22,181	314,719		0
Level 2.2	240,385	25,468	265,853	30,573	7,796	6,841	1.44%	3,940.6	22,181	337,186		0
Level 2.3	259,839	25,468	285,307	32,810	7,796	7,328	1.44%	4,220.7	22,181	359,643		0
Level 2.4	279,376	25,468	304,844	35,057	7,796	7,816	1.44%	4,502.0	22,181	382,197		0
Level 3.1	298,922	25,988	324,910	37,365	7,796	8,318	1.44%	4,791.0	22,181	405,361		0
Level 3.2	310,915	25,988	336,903	38,744	7,796	8,617	1.44%	4,963.7	22,181	419,205		0

Level 3.3	323,256	25,988	349,244	40,163	7,796	8,926	1.44%	5,141.4	22,181	433,452		0
Level 3.4	335,411	25,988	361,399	41,561	7,796	9,230	1.44%	5,316.4	22,181	447,483		0
Level 4.1	347,464	26,507	373,972	43,007	7,796	9,544	1.44%	5,497.5	22,181	461,998		0
Level 4.2	357,510	26,507	384,018	44,162	7,796	9,795	1.44%	5,642.1	22,181	473,594		0
Level 4.3	370,403	26,507	396,911	45,645	7,796	10,118	1.44%	5,827.8	22,181	488,478		0
Level 4.4	403,736	26,507	430,244	49,478	7,796	10,951	1.44%	6,307.8	22,181	526,958		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**297,933**

Overall Total	**1,168,989**

2022-23	**2023-24**	**2024-25**	**2025-26**
286,610	**290,336**	**294,110**	**297,933**
1.0	**1.0**	**1.0**	**1.0**

Recurrent Supplier Costs

Note:

- below listed supplier costs are examples only. Please update them as per your business case resourcing requirements.
- if engaging contractor(s), please explain why this can't be done by internal staff, and what tasks/objectives will be undertaken or achieved.
- identify corporate FTEs as corporate support in below table if they are heavily involved.
- Please manually enter estimated cost into the relevant month in green cells.
- Provide the basis for all your costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc) in the Basis for Cost Estimate column

2021-22			Manual input for projected phasing											
Supplier Costs (recurrent)*	**Full 2021-22**	**GBMS Account Name (pick from dropdown)**	**Jul-21**	**Aug-21**	**Sep-21**	**Oct-21**	**Nov-21**	**Dec-21**	**Jan-22**	**Feb-22**	**Mar-22**	**Apr-22**	**May-22**	**Jun-22**	**Basis for Cost Estimate**
Planning & Design	25,000	Supplies and Services	25,000	-	-	-	-	-	-	-	-	-	-	-	Based on previous project, environmental offsets, which was similar
Stakeholder Engagement	50,000	Supplies and Services	-	-	-	-	-	-	-	-	-	-	-	50,000	Estimated cost of hiring venue $10,000 per venue for 2 hour meeting. 5 meetings purposed
Other employee costs	7,100	Supplies and Services	1,000	100	-	-	5,000	-	-	-	-	1,000	-	-	Training of employees
Total Supplier Cost (recurrent)	82,100		**26,000**	**100**	-	-	**5,000**	-	-	-	-	**1,000**	-	**50,000**	

Account Listing for Recurrent Supplier Cost

Other supplier expenses
Consultants, Contractors and Professional Services
Communication and Computer Expenses
Grants
Repairs and Maintenace
Material, Equipment and Supplies
Staff Development and Recruitment
Travel
Other Expenses

2022-23			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2022-23**	**GBMS Account Name (pick from dropdown)**	**Jul-2022**	**Aug-2022**	**Sept-2022**	**Oct-2022**	**Nov-2022**	**Dec-2022**	**Jan-23**	**Feb-23**	**Mar-23**	**Apr-23**	**May-23**	**Jun-23**	**Basis for Cost Estimate**
Project Set Up	-														$340/hr for consultancies to develop new policy
Planning & Design	-														Set-up costs included against contractor and consults
Contractor and consults	500,000	Consultants, Contractors and Professional Services							500,000						Change Management and establishment; Water Information Hub (business analysis & build - costing based on advice from EPSDD Communications Team); Hydrological model update for climate/water resource analysis; investigating water entitlements for Ngunnawal TC. Consultancies, contractors for new initiatives
Stakeholder Engagement	125,000	Consultants, Contractors and Professional Services							125,000						Consultation on development of new policy initiatives, including Ngunnawal engagement. These cost $380pp/session and an estimate of 20 community members
Grant costs	-														
Purchase of equipment	-														
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs (training)	12,500	Staff Development and Rec	12,500												To run recruitment processes, build capacity of new staff
IT system subscription/license fees	-		-	-	-	-	-	-	-	-	-	-	-	-	
	-		-	-	-	-	-	-	-	-	-	-	-	-	
Training levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	637,500		**12,500**	-	-	-	-	-	**625,000**	-	-	-	-	-	

2023-24			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2023-24**	**GBMS Account Name (pick from dropdown)**	**Jul-2023**	**Aug-2023**	**Sept-2023**	**Oct-2023**	**Nov-2023**	**Dec-2023**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**May-24**	**Jun-24**	
Project Set Up	-														
Due Diligence	-														
Planning & Design	500,000	Consultants, Contractors and Professional Services							500,000						Consultants, contractors to deliver new initiatives - water information hub (data management and analysis), hydrological analysis to support water planning and cultural
Stakeholder Engagement	125,000	Consultants, Contractors and Professional Services							125,000						Consultation on development of new policy initiatives, including Ngunnawal engagement - cost based on previous
Risk Management	50,000	Consultants, Contractors ar	50,000												Consultancy fees to support reform implementation (e.g. review of monitoring and evaluation frameworks)
Project closure	100,000	Communication and Compu	100,000												Communication, publication, IT fees for uplift and build of Water Information hub, consultation
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs	25,000	Staff Development and Rec	25,000												Build capacity and capability of staff
IT system subscription/license fees	-														
IT system maintenance	-														
Training Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	800,000		**175,000**	-	-	-	-	-	**625,000**	-	-	-	-	-	

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2024-25			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2024-25**	**GBMS Account Name (pick from dropdown)**	**Jul-2024**	**Aug-2024**	**Sept-2024**	**Oct-2024**	**Nov-2024**	**Dec-2024**	**Jan-25**	**Feb-25**	**Mar-25**	**Apr-25**	**May-25**	**Jun-25**	
Project Set Up	-														
Due Diligence	-														
Planning & Design	500,000	Consultants, Contractors and Professional Services							500,000						Consultancies, contractors to deliver new initiatives - refer at
Stakeholder Engagement	125,000	Consultants, Contractors and Professional Services							125,000						Consultation on development of new policy initiatives, includ
Risk Management	125,000	Consultants, Contractors ar	50,000									75,000			Consultancy fees to support reform implementation, indepe
Project closure	100,000	Communication and Compu	100,000												Communication, publication, IT fees for uplift and build of inf
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs	25,000	Staff Development and Rec	25,000												To build capacity and capability of staff
IT system subscription/license fees	-														
IT system maintenance	-														
Training Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	875,000		**175,000**	**-**	**-**	**-**	**-**	**-**	**625,000**	**-**	**-**	**75,000**	**-**	**-**	

2025-26			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2025-26**	**GBMS Account Name (pick from dropdown)**	**Jul-2025**	**Aug-2025**	**Sept-2025**	**Oct-2025**	**Nov-2025**	**Dec-2025**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	
Project Set Up	-														
Due Diligence	-														
Planning & Design	450,000	Consultants, Contractors and Professional Services							450,000						Consultancies, contractors to deliver new initiatives - refer at
Stakeholder Engagement	175,000	Consultants, Contractors and Professional Services							175,000						Consultation on development of new policy initiatives, includ
Risk Management	50,000	Consultants, Contractors ar	50,000												Consultancy fees to support reform implementation
Project closure	50,000	Communication and Compu	50,000												Brand and creative development, engagement, production
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs	25,000	Staff Development and Rec	25,000												To build capacity and capabiltiy of staff
IT system subscription/license fees	-														
IT system maintenance	-														
Training Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	750,000		**125,000**	**-**	**-**	**-**	**-**	**-**	**625,000**	**-**	**-**	**-**	**-**	**-**	

Formuala driven - no input required

	2022-23	**2023-24**	**2024-25**	**2025-26**	**Total**
Supplies and Services	-	-	-	-	-
Consultants, Contractors and Profession	625,000	675,000	750,000	675,000	2,725,000
Staff Development and Recruitment	12,500	25,000	25,000	25,000	87,500
Repairs and Maintenace	-	-	-	-	-
Grants	-	-	-	-	-
Communication and Computer Expenses	-	100,000	100,000	50,000	250,000
Travel	-	-	-	-	-
Material, Equipment and Supplies	-	-	-	-	-
Other Expenses	-	-	-	-	-
Total	**637,500**	**800,000**	**875,000**	**750,000**	**3,062,500**

Check against each year's total	**Okay**	**Okay**	**Okay**	**Okay**	**Okay**

GBMS Account Code
702101 - Supplies and Services
702105 - Consultants, Contractors and Professional Services
702115 - Staff Development and Recruitment
702104 - Repairs and Maintenance
706101 - Current Grant (Non ACT Government)
702110 - Communication and Computer Expenses
702111 - Travel, Accommodation and Transport Expenses
702113 - Material, Equipment and Supplies
703311 - Other Expenses

1,521	**2,183**	**2,225**	**2,266**	**8,195**
150	300	300	300	1,050
625	675	750	725	2,775
13	25	25	25	88
0	100	100	100	300
2,309	3,283	3,400	3,416	12,408

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Fill in the Revenue, Savings and Offsets per financial year in the table below
Provide commentary around the Revenue, Savings and Offsets field in column 'G'
For e.g. If there's any Savings associated with the BC please highlight that in here/ If there is any Offsets to the associated BC that's coming to closure, it would be justified by referencing the BC name and numbe

	2022-23	2023-24	2024-25	2025-26	Total	Justification
Revenue	-	-	-	-	-	
Savings	-	-	-	-	-	
Offsets	- 927,976	- 1,727,310	- 1,753,874	- 1,780,232	**- 6,189,392**	**Offset of executive and staff members.**
Overall Total Revenue	**- 927,976**	**- 1,727,310**	**- 1,753,874**	**- 1,780,232**	**- 6,189,392**	

		Budget year 2022-23	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27
Salary Growth Rate	WPI rates from TSY	1.75%	1.75%	2.00%	2.00%	
Superannuation Rate		11.50%	11.50%	11.50%	11.50%	
LSL/LL		4%	4%	4%	4%	
Works compensation		1.66%	1.66%	1.66%	1.66%	
Admin		20,961	21,338	21,772	22,113	

Salary rates:

Base year	
INFRA 1	78,172
INFRA 2	92,045
INFRA 3	114,891
INFRA 4	137,805
INFRA 5	154,023
SOG C	116,161
SOG B	138,586
SOG A	153,040
ASO 1	54,816
ASO 2	62,095
ASO 3	69,373
ASO 4	78,433
ASO 5	86,168
ASO 6	93,476
Ranger 1	62,655
Ranger 2	70,019
Ranger 3	78,089
SOG C(T)	122,136
SOG B(T)	140,540
Technical Officer 1	63,824
Technical Officer 2	72,495
Technical Officer 3	84,199
Technical Officer 4	95,341
SPO C	122,136
SPO B	140,540
SPO A	155,200
Park Ranger 1	71,197
Park Ranger 2	79,540
Park Ranger 3	86,204
PO1	83,028
PO2	98,048
GSO 2	51,484
GSO 3	54,504
GSO 4	57,285
GSO 5	61,055
GSO 6	63,967
GSO 7	69,330
GSO 8	75,178
GSO 9	82,532
GSO 10	95,341

The above calculations include administrative on-cost for new employees. If there is any additional admin on-costs that are relevant to the recurrent staff cost please include those expenses in Recurrent Supplier Cost tab.

***Administrative On-Cost**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Administrative Component (including items such as desktop IT items and support, accommodation, insurance, training etc)	$ 18,142	$ 18,469	$ 18,801	$ 19,183	$ 19,484
Corporate Component (Human Resource and Finance Services)	$ 2,448	$ 2,492	$ 2,537	$ 2,589	$ 2,629
Total Admin ON-Cost	$ 20,590	$ 20,961	$ 21,338	$ 21,772	$ 22,113

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Salary Split for GBSM Entry

	Recurrent Salaries			
	2021-22	2022-23	2023-24	2024-25
Wages	544,805	554,339	565,426	576,734
LSL	5,029	5,117	5,219	5,324
AL	16,763	17,057	17,398	17,746
Comcare	9,044	9,202	9,386	9,574
Super	62,653	63,749	65,024	66,324
Oncosts	104,805	106,690	108,860	110,565
Total	743,098	756,153	771,063	786,267
Variance	0	0	-250	0

	Capitalised Salaries			
	2021-22	2022-23	2023-24	2024-25
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	-	-	-	-
	0	0	0	0
	0	0	0	0

Recurrent	2021-22						2022-23						2023-24						2024-25					
Level	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt
INFRA 1	79,540	-	-	-	1.66%	-	80,932	-	-	-	1.66%	-	82,551	-	-	-	1.66%	-	84,202	-	-	-	1.66%	-
INFRA 2	93,656	-	-	-	1.66%	-	95,295	-	-	-	1.66%	-	97,201	-	-	-	1.66%	-	99,145	-	-	-	1.66%	-
INFRA 3	116,901	-	-	-	1.66%	-	118,947	-	-	-	1.66%	-	121,326	-	-	-	1.66%	-	123,753	-	-	-	1.66%	-
INFRA 4	140,217	-	-	-	1.66%	-	142,671	-	-	-	1.66%	-	145,524	-	-	-	1.66%	-	148,434	-	-	-	1.66%	-
INFRA 5	156,718	-	-	-	1.66%	-	159,461	-	-	-	1.66%	-	162,650	-	-	-	1.66%	-	165,903	-	-	-	1.66%	-
SOG C	118,194	118,194	3.0	354,581.5	1.66%	5,886	120,262	120,262	3.0	360,786.7	1.66%	5,989	122,667	122,667	3.0	368,002.4	1.66%	6,109	125,121	125,121	3.0	375,362.4	1.66%	6,231
SOG B	141,011	-	-	-	1.66%	-	143,478	-	-	-	1.66%	-	146,348	-	-	-	1.66%	-	149,275	-	-	-	1.66%	-
SOG A	155,719	-	-	-	1.66%	-	158,444	-	-	-	1.66%	-	161,613	-	-	-	1.66%	-	164,845	-	-	-	1.66%	-
ASO 1	55,775	-	-	-	1.66%	-	56,751	-	-	-	1.66%	-	57,886	-	-	-	1.66%	-	59,044	-	-	-	1.66%	-
ASO 2	63,182	-	-	-	1.66%	-	64,287	-	-	-	1.66%	-	65,573	-	-	-	1.66%	-	66,884	-	-	-	1.66%	-
ASO 3	70,587	-	-	-	1.66%	-	71,822	-	-	-	1.66%	-	73,259	-	-	-	1.66%	-	74,724	-	-	-	1.66%	-
ASO 4	79,806	-	-	-	1.66%	-	81,202	-	-	-	1.66%	-	82,826	-	-	-	1.66%	-	84,483	-	-	-	1.66%	-
ASO 5	87,676	-	-	-	1.66%	-	89,211	-	-	-	1.66%	-	90,995	-	-	-	1.66%	-	92,815	-	-	-	1.66%	-
ASO 6	95,112	95,112	2.0	190,223.4	1.66%	3,158	96,776	96,776	2.0	193,552.3	1.66%	3,213	98,712	98,712	2.0	197,423.3	1.66%	3,277	100,686	100,686	2.0	201,371.8	1.66%	3,343
Ranger 1	63,751	-	-	-	1.66%	-	64,867	-	-	-	1.66%	-	66,164	-	-	-	1.66%	-	67,487	-	-	-	1.66%	-
Ranger 2	71,245	-	-	-	1.66%	-	72,491	-	-	-	1.66%	-	73,941	-	-	-	1.66%	-	75,420	-	-	-	1.66%	-
Ranger 3	79,455	-	-	-	1.66%	-	80,846	-	-	-	1.66%	-	82,463	-	-	-	1.66%	-	84,112	-	-	-	1.66%	-
SOG C(T)	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SOG B(T)	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
Technical Officer 1	64,941	-	-	-	1.66%	-	66,078	-	-	-	1.66%	-	67,399	-	-	-	1.66%	-	68,747	-	-	-	1.66%	-
Technical Officer 2	73,764	-	-	-	1.66%	-	75,054	-	-	-	1.66%	-	76,555	-	-	-	1.66%	-	78,087	-	-	-	1.66%	-
Technical Officer 3	85,673	-	-	-	1.66%	-	87,172	-	-	-	1.66%	-	88,916	-	-	-	1.66%	-	90,694	-	-	-	1.66%	-
Technical Officer 4	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-
SPO C	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SPO B	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
SPO A	157,916	-	-	-	1.66%	-	160,679	-	-	-	1.66%	-	163,893	-	-	-	1.66%	-	167,171	-	-	-	1.66%	-
Park Ranger 1	72,443	-	-	-	1.66%	-	73,710	-	-	-	1.66%	-	75,185	-	-	-	1.66%	-	76,688	-	-	-	1.66%	-
Park Ranger 2	80,932	-	-	-	1.66%	-	82,349	-	-	-	1.66%	-	83,996	-	-	-	1.66%	-	85,676	-	-	-	1.66%	-
Park Ranger 3	87,712	-	-	-	1.66%	-	89,247	-	-	-	1.66%	-	91,032	-	-	-	1.66%	-	92,853	-	-	-	1.66%	-
PO1	84,481	-	-	-	1.66%	-	85,959	-	-	-	1.66%	-	87,679	-	-	-	1.66%	-	89,432	-	-	-	1.66%	-
PO2	99,764	-	-	-	1.66%	-	101,510	-	-	-	1.66%	-	103,540	-	-	-	1.66%	-	105,611	-	-	-	1.66%	-
GSO 2	52,384	-	-	-	1.66%	-	53,301	-	-	-	1.66%	-	54,367	-	-	-	1.66%	-	55,455	-	-	-	1.66%	-
GSO 3	55,458	-	-	-	1.66%	-	56,429	-	-	-	1.66%	-	57,557	-	-	-	1.66%	-	58,708	-	-	-	1.66%	-
GSO 4	58,288	-	-	-	1.66%	-	59,308	-	-	-	1.66%	-	60,494	-	-	-	1.66%	-	61,704	-	-	-	1.66%	-
GSO 5	62,124	-	-	-	1.66%	-	63,211	-	-	-	1.66%	-	64,475	-	-	-	1.66%	-	65,765	-	-	-	1.66%	-
GSO 6	65,087	-	-	-	1.66%	-	66,226	-	-	-	1.66%	-	67,550	-	-	-	1.66%	-	68,901	-	-	-	1.66%	-
GSO 7	70,544	-	-	-	1.66%	-	71,778	-	-	-	1.66%	-	73,214	-	-	-	1.66%	-	74,678	-	-	-	1.66%	-
GSO 8	76,494	-	-	-	1.66%	-	77,833	-	-	-	1.66%	-	79,389	-	-	-	1.66%	-	80,977	-	-	-	1.66%	-
GSO 9	83,977	-	-	-	1.66%	-	85,446	-	-	-	1.66%	-	87,155	-	-	-	1.66%	-	88,898	-	-	-	1.66%	-
GSO 10	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-

Capitalised	2021-22						2022-23						2023-24						2024-25					
Level	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt
INFRA 1	79,540	-	-	-	1.66%	-	80,932	-	-	-	1.66%	-	82,551	-	-	-	1.66%	-	84,202	-	-	-	1.66%	-
INFRA 2	93,656	-	-	-	1.66%	-	95,295	-	-	-	1.66%	-	97,201	-	-	-	1.66%	-	99,145	-	-	-	1.66%	-
INFRA 3	116,901	-	-	-	1.66%	-	118,947	-	-	-	1.66%	-	121,326	-	-	-	1.66%	-	123,753	-	-	-	1.66%	-
INFRA 4	140,217	-	-	-	1.66%	-	142,671	-	-	-	1.66%	-	145,524	-	-	-	1.66%	-	148,434	-	-	-	1.66%	-
INFRA 5	156,718	-	-	-	1.66%	-	159,461	-	-	-	1.66%	-	162,650	-	-	-	1.66%	-	165,903	-	-	-	1.66%	-
SOG C	118,194	-	-	-	1.66%	-	120,262	-	-	-	1.66%	-	122,667	-	-	-	1.66%	-	125,121	-	-	-	1.66%	-

CABINET

SOG B	141,011	-	-	-	1.66%	-	143,478	-	-	-	1.66%	-	146,348	-	-	-	1.66%	-	149,275	-	-	-	1.66%	-
SOG A	155,719	-	-	-	1.66%	-	158,444	-	-	-	1.66%	-	161,613	-	-	-	1.66%	-	164,845	-	-	-	1.66%	-
ASO 1	55,775	-	-	-	1.66%	-	56,751	-	-	-	1.66%	-	57,886	-	-	-	1.66%	-	59,044	-	-	-	1.66%	-
ASO 2	63,182	-	-	-	1.66%	-	64,287	-	-	-	1.66%	-	65,573	-	-	-	1.66%	-	66,884	-	-	-	1.66%	-
ASO 3	70,587	-	-	-	1.66%	-	71,822	-	-	-	1.66%	-	73,259	-	-	-	1.66%	-	74,724	-	-	-	1.66%	-
ASO 4	79,806	-	-	-	1.66%	-	81,202	-	-	-	1.66%	-	82,826	-	-	-	1.66%	-	84,483	-	-	-	1.66%	-
ASO 5	87,676	-	-	-	1.66%	-	89,211	-	-	-	1.66%	-	90,995	-	-	-	1.66%	-	92,815	-	-	-	1.66%	-
ASO 6	95,112	-	-	-	1.66%	-	96,776	-	-	-	1.66%	-	98,712	-	-	-	1.66%	-	100,686	-	-	-	1.66%	-
Ranger 1	63,751	-	-	-	1.66%	-	64,867	-	-	-	1.66%	-	66,164	-	-	-	1.66%	-	67,487	-	-	-	1.66%	-
Ranger 2	71,245	-	-	-	1.66%	-	72,491	-	-	-	1.66%	-	73,941	-	-	-	1.66%	-	75,420	-	-	-	1.66%	-
Ranger 3	79,455	-	-	-	1.66%	-	80,846	-	-	-	1.66%	-	82,463	-	-	-	1.66%	-	84,112	-	-	-	1.66%	-
SOG C(T)	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SOG B(T)	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
Technical Officer 1	64,941	-	-	-	1.66%	-	66,078	-	-	-	1.66%	-	67,399	-	-	-	1.66%	-	68,747	-	-	-	1.66%	-
Technical Officer 2	73,764	-	-	-	1.66%	-	75,054	-	-	-	1.66%	-	76,555	-	-	-	1.66%	-	78,087	-	-	-	1.66%	-
Technical Officer 3	85,673	-	-	-	1.66%	-	87,172	-	-	-	1.66%	-	88,916	-	-	-	1.66%	-	90,694	-	-	-	1.66%	-
Technical Officer 4	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-
SPO C	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SPO B	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
SPO A	157,916	-	-	-	1.66%	-	160,679	-	-	-	1.66%	-	163,893	-	-	-	1.66%	-	167,171	-	-	-	1.66%	-
Park Ranger 1	72,443	-	-	-	1.66%	-	73,710	-	-	-	1.66%	-	75,185	-	-	-	1.66%	-	76,688	-	-	-	1.66%	-
Park Ranger 2	80,932	-	-	-	1.66%	-	82,349	-	-	-	1.66%	-	83,996	-	-	-	1.66%	-	85,676	-	-	-	1.66%	-
Park Ranger 3	87,712	-	-	-	1.66%	-	89,247	-	-	-	1.66%	-	91,032	-	-	-	1.66%	-	92,853	-	-	-	1.66%	-
PO1	84,481	-	-	-	1.66%	-	85,959	-	-	-	1.66%	-	87,679	-	-	-	1.66%	-	89,432	-	-	-	1.66%	-
PO2	99,764	-	-	-	1.66%	-	101,510	-	-	-	1.66%	-	103,540	-	-	-	1.66%	-	105,611	-	-	-	1.66%	-
GSO 2	52,384	-	-	-	1.66%	-	53,301	-	-	-	1.66%	-	54,367	-	-	-	1.66%	-	55,455	-	-	-	1.66%	-
GSO 3	55,458	-	-	-	1.66%	-	56,429	-	-	-	1.66%	-	57,557	-	-	-	1.66%	-	58,708	-	-	-	1.66%	-
GSO 4	58,288	-	-	-	1.66%	-	59,308	-	-	-	1.66%	-	60,494	-	-	-	1.66%	-	61,704	-	-	-	1.66%	-
GSO 5	62,124	-	-	-	1.66%	-	63,211	-	-	-	1.66%	-	64,475	-	-	-	1.66%	-	65,765	-	-	-	1.66%	-
GSO 6	65,087	-	-	-	1.66%	-	66,226	-	-	-	1.66%	-	67,550	-	-	-	1.66%	-	68,901	-	-	-	1.66%	-
GSO 7	70,544	-	-	-	1.66%	-	71,778	-	-	-	1.66%	-	73,214	-	-	-	1.66%	-	74,678	-	-	-	1.66%	-
GSO 8	76,494	-	-	-	1.66%	-	77,833	-	-	-	1.66%	-	79,389	-	-	-	1.66%	-	80,977	-	-	-	1.66%	-
GSO 9	83,977	-	-	-	1.66%	-	85,446	-	-	-	1.66%	-	87,155	-	-	-	1.66%	-	88,898	-	-	-	1.66%	-
GSO 10	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-

CABINET

Recurrent Staffing Cost

Variation N	Agency (no	Entity Segi	Reason (n	Title	Description	Output Cla	Related Ou	Initiative C	Commonw	Account	Movement	Internal Trading Segment (note 0 at front)	Estimated Outcome	Annual Budget	Forward Estimates 1	Forward Estimate 2	Forward Estimate 3
	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	801101 - Controlled Recurrent Payments		999 015 - Territory Bank Account		743	756	771	786
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601101 - Wages and Salaries		999 099 - External Trading		545	554	565	577
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601102 - Long Service Leave		999 099 - External Trading		5	5	5	5
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601103 - Annual Leave Expense		999 099 - External Trading		17	17	17	18
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601105 - Comcare Premiums		999 091 - Public Sector Workers Compensation Fund		9	9	9	10
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	602501 - Fund of Choice Superannuation - Approp Funded		999 099 - External Trading		63	64	65	66
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702101 - Supplies and Services		999 099 - External Trading		105	107	109	111

Recurrent Supplier Cost

1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	801101 - Controlled Recurrent Payments		999 015 - Territory Bank Account		638	800	875	750
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702101 - Supplies and Services		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702105 - Consultants, Contractors and Professional Services		999 099 - External Trading		625	675	750	675
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702115 - Staff Development and Recruitment		999 099 - External Trading		13	25	25	25
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702104 - Repairs and Maintenance		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	706101 - Current Grant (Non ACT Government)		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702110 - Communication and Computer Expenses		999 099 - External Trading		0	100	100	50
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702111 - Travel, Accommodation and Transport Expenses		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702113 - Material, Equipment and Supplies		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	703311 - Other Expenses		999 099 - External Trading		0	0	0	0

Capital Staff and Supplier Costs

1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	701101 - Depreciation		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	701102 - Amortisation		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201102 - Accumulated Depreciation - Buildings		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201302 - Accumulated Depreciation - Heritage and Communi		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201402 - Accumulated Depreciation - Infrastructure Assets		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201502 - Accumulated Depreciation - P & E		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201505 - Accumulated Depreciation - Leased P & E		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	203102 - Accumulated Amortisation - Capitalised Software		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	206201 - Capital Work in Progress - NC		228 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	206201 - Capital Work in Progress - NC		228 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	402003 - Capital Injections		424 015 - Territory Banking Account		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201101 - Buildings		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201201 - Leasehold Improvements		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201301 - Heritage and Community Assets		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201401 - Infrastructure Assets		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201501 - Plant and Equipment		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201504 - Leased Plant and Equipment		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201601 - Land		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	203101 - Capitalised Software		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	203205 - Other Intangible Assets		222 099 - External Trading		0	0	0	0
														0	0	0	0

Check:				
Recurrent Staff Cost	-	-	-	-
Recurrent Supplier Cost	-	-	-	-
Capital Staff Cost	-	-	-	-
Capital Supplier Cost	-	-	-	-
Depreciation and amortisation	-	-	-	-
CRP	(928)	(1,727)	(1,754)	(1,780)
Capital Injection	-	-	-	-

Enter Initiative ID when known:

Initiative ID:	I000000
Cwth Initiative ID:	CW00000

Attachment G

Draft recommendations from the State of the Lakes and Waterways report (Commissioner for Sustainability and the Environment, May 2022)

The following recommendations are made in the draft report from the Commissioner for Sustainability and the Environment on the *State of the Lakes and Waterways in the ACT*. [The report is due to be provided to the Minister for the Environment by the end of May 2022 and scheduled for Cabinet on 6 June 2022].

1. Re-open water-relevant recommendations of statutory reports and continue to report against these (as identified in Tables 2.1 to 2.4 in section 2.4 and detailed below):

Summarised from ACT Auditor-General's 2018 Report on Acceptance of Stormwater Assets

Recommendation 5. Catchment-wide stormwater planning

EPSDD should identify options for conducting catchment-wide planning, and undertake analysis of stormwater needs, against which future development applications would be assessed. These options should be provided to the Minister for Planning and Land Management for consideration.

Recommendation 6. Consideration of stormwater solutions

EPSDD and TCCS, in consultation with the Suburban Land Agency (SLA), should develop a range of stormwater management solutions for new estates and subdivisions, in the context of a catchment-wide plan for the area, to ensure that the optimal solution and the means of financing it are adopted.

Recommendation 10. Development of performance indicators

EPSDD and TCCS should each develop performance measures for the achievement of ACT Government stormwater objectives, including the management of stormwater discharges. These should be publicly reported (for example, in the ACT Water Report).

Recommendation 15. Management of the existing stormwater network

TCCS should:

a) develop a preventative maintenance plan for stormwater assets, and

b) clearly identify problem areas with, and risks to, the stormwater network.

If required, appropriate remedial action should be recommended to the Minister for Transport and City Services.

Recommendation 16. Reducing damage to accepted assets[1]

[1] Accepted assets correspond to infrastructure that has been officially handed over from a private entity to the ACT Government. In this way, stormwater infrastructure built as part of new developments by private entities, becomes the responsibility of ACT Government once construction is complete.

A working group (including representatives from TCCS, EPSDD, the SLA, Access Canberra and other relevant entities) should be established to:

a) develop a coordinated multi-agency strategy to reduce the damage to accepted assets caused by building and other construction activity, and

b) report to the Minister for Planning and Land Management on actions to be taken, then subsequently the results of any actions undertaken.

Recommendation 17. Review and augmentation of existing stormwater infrastructure

TCCS should develop a forward program for the ongoing review of stormwater infrastructure in established areas of Canberra and augmentation of the infrastructure where necessary. The forward program should be provided to the Minister for Transport and City Services for consideration and direction.

Summarised from OCSE's 2012 Report on the state of the watercourses and catchments for Lake Burley Griffin

Recommendation 7. Strategic approach to WSUD

The ACT Government should develop a strategic approach to WSUD. This should include:

a) Identifying sites where installing catchment intervention, such as wetlands and pollution control ponds, would improve water quality entering urban lakes. This should include identifying WSUD that complement current programs of installing wetlands and water control ponds in both new urban areas and retrofitting in existing suburbs where applicable.

b) Ensuring that WSUD requirements are enforced, in particular:

i. ensuring that wetlands and ponds are of appropriate sizes to service their catchments, and

ii. undertaking auditing/compliance arrangements to ensure that temporary pollution control ponds for sediment control during the construction phase in new estates are maintained and functioning effectively.

c) Monitoring the effectiveness of WSUD through improved monitoring following urban developments to determine whether water quality meets WSUD general code targets. Results should be used to inform improvements in WSUD standards.

d) Comparison of ACT approaches to WSUD with those of other Australian urban areas to help ours remain consistent with developing technology and best practice.

e) Reviewing the efficacy of existing GPTs. The review should include:

i. effectiveness in pollutant reduction

ii. effectiveness of current maintenance of pollution control measures

iii. capital costs

iv. ongoing maintenance costs to ensure the current drainage infrastructure remains high-standard and is in line with current best practice, protecting downstream environments

v. reduction of polluted leachate water, and

vi. the capacity to manage requirements of future urban growth and development.

f) working with the NCA and NSW Councils in the catchment to coordinate a strategic approach across the catchment.

Recommendation 13. QSTP Environmental Authorisation update

The ACT Environment Protection Authority (EPA) review and update the Environmental Authorisation number 0417 for sewage treatment within the Queanbeyan City Council Sewage Treatment Plant to ensure that the treatment process results in discharge quality that matches contemporary best practise for a modern, urban sewerage treatment plant. In line with this, the QCCSTWP should continually review and improve its mitigating practises for inundation and washout events at the treatment plant.

2. Publish an annual detailed breakdown of how the Water Abstraction Charge revenue is expended.

Data, monitoring and reporting of urban lakes and waterways

3. Institute a long-term monitoring and reporting program (*in addition* to the invaluable information provided by Waterwatch), to comprehensively assess urban water quality, ecological condition, recreation and aesthetic values, management effectiveness, and the impacts of new suburb developments on water quality. This program should include
    - a review of urban water data collected and held across the ACT Government to identify data gaps, quality issues and data accessibility
    - the development of methodologies for assessing waterway condition against published urban water management outcomes, objectives and targets
    - the development of clear and consistent ecological condition standards, targets and indicators for urban waters to enable assessment of ecosystem health and management effectiveness. This should include all ponds, lakes, creeks and other running waters
    - strategies for improving collaboration and coordination across government and community urban water monitoring programs, and
    - provide adequate resourcing to maintain parallel monitoring undertaken by Waterwatch.

4. Establish and maintain a single point of truth for water quality in the ACT on a public online platform. This should
    - incorporate water quality monitoring data from all currently available sources including ACT Government, the NCA, universities (where accessible) and Waterwatch
    - include lake and river closure information, and pollution and blue-green algae reporting
    - provide the location of the recreational water quality report and the reporting framework for the assessment of aquatic ecosystem health and water quality described in Recommendations 28 and 29 in the 2019 ACT State of the Environment Report.

Incorporating Ngunnawal Knowledge into care of urban lakes and waterways

5. The ACT Government to formally recognise the cultural value of water held by the Ngunnawal people and further incorporate Ngunnawal practices into management of urban lakes and waterways.

On-ground management of urban lakes and waterways

6. Fund improvement of the performance of water quality control infrastructure, including through
    - maintenance of existing ponds, wetlands and gross pollutant traps
    - supporting activities for water quality (e.g. expanded street sweeping, appropriate disposal of organic matter and application of fertilisers in public places)
    - design and build new water quality control infrastructure in accordance with sub-catchment plans developed as part of Recommendation 8.

Management or governance of urban lakes and waterways

7. Implement a consolidated management framework for the urban waterways of the ACT. This should
    - take a catchment or sub-catchment approach, explicitly recognising the inter-connectedness of urban waterways, ponds and lakes, and their catchments
    - deal with management of both water flow and water quality, and
    - incorporate and enhance existing management planning and strategy documents, resolving inconsistencies and ensuring that objectives for urban waterway management are clearly defined.

8. The ACT Government to take responsibility for monitoring and management of water quality in Lake Burley Griffin, in recognition of the fact that it is the entity primarily responsible for management of the lake's catchment.

9. Strengthen community participation in water management through measures such as
    - providing secure, ongoing funding to community groups working on catchment management, water quality testing, ecological surveys and public education and engagement
    - expanding the use of deliberative democracy, and
    - establishing a formal mechanism for meaningful community involvement in the governance of the proposed Office of Water.

10. Reform Environmental Protection Authority's (EPA) approach to monitoring, compliance and enforcement relating to urban water conditions to re-focus on its core function of protecting the environment, including that the EPA
    - is sufficiently empowered and resourced to undertake compliance monitoring and enforcement of all environmental conditions and activities, including around erosion and sediment controls
    - monitor the effectiveness and compliance of water pollution control structures for new developments, including during the construction phase, to reduce stormwater impacts on lakes and rivers[2]

[2] Improved monitoring of developments was listed as a priority action in the Lake Burley Griffin Task Force, 2012, *Lake Burley Griffin Action Plan: A Healthier, Better Functioning Lake by 2030*. ACT Government, Canberra.

Mitigating emerging issues for urban lakes and waterways

11. Ensure that all new water-related policies, plans and strategies are underpinned by future climate change projections for the ACT.

12. The ACT Government to reform its approach to urban planning and future land development to ensure that stormwater management is preventative and proactive rather than remedial and reactive. This should include
    - Accepting that development should not occur in areas where analysis of soils, geology, hydrology and topography indicate that construction of water quality control infrastructure sufficient to preserve environmental targets would be practically or financially impossible, and
    - Focusing on sedimentation prevention, enforcement and compliance in development and construction, rather than resourcing urban water treatment assets, such as wetlands.

ACT Government

CABINET SUBMISSION

22/159

Title	Office of Water
Meeting type	Cabinet
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Wednesday, 22 June 2022
Status	FINAL
Relationship to previous decisions	None
Purpose	This submission advises Cabinet on a reform agenda for ACT water governance and recommends the establishment of an Office of Water to implement reforms.
Category	Category 1 - Government priorities
Financial impact	Yes
Treasury agreement	Yes Date provided for Treasury agreement to financial implications: 04/05/2022 Date of Treasury agreement 06/05/2022:
Is ERC consideration required?	Yes If yes, select ERC meeting date: Tuesday, 24 May 2022
Legislative change	No - change to legislation not required
Regulatory impact	No
Wellbeing Impact Assessment	Yes
Primary Wellbeing Domain	Environment and climate

RECOMMENDATIONS

1) I recommend that Cabinet agree to:

   a. the proposal to establish a new Office of Water within the Environment, Planning and Sustainable Development Directorate, consistent with funding agreed by Expenditure Review Committee;

   b. the establishment of a new Cross-Directorate group chaired by the Head of the Office of Water (replacing Directors-General Water Group) for water matters; and

   c. legislative amendments to Part 7 of the *Water Resources Act* 2007 to

      i. provide clarity on the role of the Office of Water and the Environment Protection Agency; and

      ii. provide clarity on the role and purpose of the ACT Catchment Management and Coordination Group.

2) I recommend that Cabinet note:

   a. the Government's commitment to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy (Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly);

   b. that significant governance issues exist in the ACT water sector relating to capability and capacity, roles and responsibilities, and coordination, and that these issues are hindering delivery of water policy and planning functions and program implementation;

   c. the imminent release of the ACT Commissioner for Sustainability and Environment investigation into the 'State of Lakes and Waterways' which identifies the need for reform in water governance and policy, among other matters (draft recommendations by the Commissioner is provided at Attachment G);

   d. that establishing an Office of Water will implement priority (foundational) governance reforms, delivering new policy initiatives and assets to address strategic gaps;

   e. that establishing an Office of Water with lesser scope and resourcing than which is recommended will not address the strategic risks that have been identified; and

   f. the 24 May 2022 Expenditure Review Committee decision on the Office of Water Business Case.

3) I recommend that Cabinet note:

a. the advice to the Chief Minister on the release of the Cabinet Decision Summary (Attachment B) as required under Section 23 of the *Freedom of Information Act 2016*;

b. the following summaries to be released:

   i. Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio of the Minister for Water.

   ii. A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate-resilient and water-secure city which continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Islander Agreement and the National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

SUPPORTING ARGUMENT

BACKGROUND

1) The Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA) agrees an executive reform to 'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.

2) On 27 November 2019, the ACT Legislative Assembly passed a resolution on water security which called on the Government to:

    a. continue to implement and promote the ACT Water Strategy 2014-2044;

    b. hold consultations with water stakeholders and experts; and

    c. ensure climate change projections are considered in long-term planning and decision-making.

3) A water security workshop was held with a range of experts and stakeholders on 6-7 July 2020. Water governance was a recurring theme throughout the workshop, with general acknowledgement that a holistic governance structure was required to manage the region's future water security.

4) In response to the PAGA executive reform order, in 2021-22 Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on current issues impacting the water sector and potential solutions. The findings of the review are discussed further in the 'Issues' section below.

5) The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management, including monitoring, evaluation and reporting processes. The final report is due in May 2022 and is expected to critique the effectiveness of water planning and policy implementation, and adequacy of associated resourcing.

6) Climate change presents new challenges to the way that the ACT's water resources are managed and responding to these challenges requires effective governance arrangements. A 2021 climate change risk assessment by the ACT Office for Climate Action identified drought and drinking water supply as a high strategic risk for the ACT, and noted that these risks have interdependencies with other risks across the social, economic, natural environment, built environment and governance domains. The risk assessment recommended further embedding drought hazard modelling for future conditions in planning.

7) Analysis by Icon Water on changes to inflows into the ACT's water storages over the past 20 years indicates that climate impacts on our water resources are already occurring, decades earlier and

more pronounced than in the climate modelling used for the 2021 climate change risk assessment. Further modelling and analysis are needed to understand the full nature and extent of climate change impacts on the ACT's water supply and to plan appropriately for those impacts.

8) The ACT Government does not have an integrated water management plan in place. Addressing wastewater (including recycled water options) and alternative water supply options would support the ACT to become a more water-secure city in the context of climate change and a growing population. This includes implementing water sensitive urban design (WSUD) as an adaption response. The 2019 ACT State of the Environment report recommended identifying opportunities to further develop WSUD measures.

9) Climate change projections indicate that more frequent extreme flooding is expected in the ACT due to an increase in high intensity rainfall events, compounded by hard infrastructure from urban development. The ACT's Territory Wide Risk Assessment (2017), completed by the Justice and Community Safety Directorate – Emergency Services Agency (ESA), identified flash floods as a high risk to the ACT and the 2021 climate change risk assessment recommended further work to build flood resilience. In particular, the risk assessment highlighted the need to embed flood hazard modelling for current and future conditions in planning and to embed flood adaptation actions in a strategy for implementation. In contrast to other jurisdictions and national best practice, the ACT does not have a floodplain management entity or a strategic flood risk management plan in place. Flood management responsibility sits within the ESA while other water management responsibilities are within other parts of the government.

10) The ACT Government introduced the *Waterways: WSUD general code* into the Territory Plan in 2009 (latest revision effective February 2020). The code aims to encourage reduced use of mains water, improve water quality and manage stormwater flows in urban areas. Despite the code being in place for over ten years, results of recent water quality monitoring (Catchment Health Indicator Program reports, 2019 ACT State of the Environment report) suggest that implementation of WSUD in the ACT has been ineffective at delivering improved water quality for Canberra's urban lakes.

11) Recent reviews in 2020 and 2021 of WSUD application in the ACT have been undertaken by external experts for EPSDD and Transport Canberra and City Services. The reviews identified issues with WSUD application, including: a lack of compliance checks and performance monitoring (to ensure that WSUD measures are designed to code and are functioning as expected to meet the objectives of the policy); agency alignment/commitment to the policy; cross-agency governance arrangements to resolve issues; and dedicated staff in EPSDD with the knowledge and training in WSUD application to undertake regular compliance and review.

12) In 2018, the ACT Auditor-General delivered the performance audit report *Acceptance of Stormwater Assets*. The report found that stormwater asset management objectives (for example those set in the ACT Water Strategy) may not be met due to deficiencies in asset acceptance processes and the management of accepted stormwater assets. It noted the absence of catchment-wide stormwater planning, the need to better integrate traditional stormwater design

with sustainable WSUD, and the importance of ensuring an effective cross-agency approach is taken to the overall management of stormwater assets.

13) The ACT Auditor-General's report recommended that governance supporting the acceptance of stormwater assets needed to be improved through improvements in agencies' risk management and performance reporting, and updating of codes and standards that guide the design and development of assets (ACT Audit Office 2018). This work has not been substantially progressed since 2018 due to lack of clarity on decision-making for this issue and agency capacity.

14) The ACT Water Abstraction Charge (WAC) is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of the water resource (DI-2003-333, Explanatory Statement). The Australian Competition and Consumer Commission (ACCC) reports annually on regulated water charges and compliance with the Commonwealth Water Market and Water Charge Rules (ACCC Water Monitoring Report); the ACT WAC is subject to this annual report. For the 2020-21 period, the ACT Government reported that revenue collected from the WAC exceeded expenditure on eligible water management activities by $18.87 million. Significant variances have been reported annually since 2015. The Water Governance Review and the Commissioner's report into the state of the lakes and waterways in the ACT highlight significant under resourcing of water management activities.

15) By 2024, two policy reviews are scheduled to be undertaken that will help set the direction for the ACT water sector for the next ten years:

   a. ten-year review of the ACT Water Strategy 2014-44: Striking the Balance (ACT Water Strategy); and

   b. five-yearly review of the Water Resource Environmental Flows Guidelines 2019. The Environmental Flows Guidelines define environmental flows for the protection of aquatic ecosystems, as required by the ACT *Water Resources Act 2007*.

ISSUES & OPTIONS

Issues with current ACT water governance arrangements

16) The Water Governance Review identified chronic governance issues across the ACT water sector (Attachment D). The issues are summarised as:

   a. poorly defined roles and responsibilities;

   b. inadequate capacity (resourcing, skills, and information) and capability; and

   c. poor inter-agency coordination and decision-making on cross-sectoral issues.

17) ACT water resources are managed through responsibilities shared across multiple agencies and entities:

   a. Environment Protection Authority (EPA) in Access Canberra – regulation and enforcement;

b. Environment, Planning and Sustainable Development Directorate (EPSDD) – water policy (domestic and inter-jurisdictional), planning, science, program implementation, water efficiency and catchment management;

c. Chief Minister, Treasury and Economic Development Directorate (CMTEDD) – interjurisdictional relations, regional collaboration and development, water pricing;

d. Transport Canberra and City Services Directorate (TCCS) – own, manage stormwater assets, dam safety, service provider (inner north reticulation network);

e. Justice and Community Safety Directorate's (JACS) Emergency Services Agency (ESA) – flood management and response;

f. ACT Health Directorate – drinking water licencing, monitors recreational water quality;

g. National Capital Authority – management of water resources within Lake Burley Griffin; and,

h. Icon Water – ACT Government-owned water utility, water entitlement/licence holder.

18) Current agency water management responsibilities were mapped using stakeholder input through the Water Governance Review (Attachment E1). The mapping process revealed that there are poorly defined, fragmented and/or overlapping water roles and responsibilities across the sector. The map represents the views of stakeholders on responsibilities – which were conflicting on some areas – demonstrative of the lack or clarity in the sector. It is recommended that a 'trueing up' and validation is undertaken as a priority foundational reform action to help clarify roles and responsibilities and to investigate options to amend Administrative Arrangements that would better align core policy, planning, regulatory and service delivery responsibilities.

19) Poorly defined roles and responsibilities have contributed to uncertainty over ownership of cross-sectoral issues and led to poor collaboration and policy implementation. Without a defined approach and accountability to coordinate decision-making and responses on multi-stakeholder issues, there has been a lack of progress in developing timely responses. This has been particularly evident in, but not limited to, inter-jurisdictional matters, integrated water management planning, WSUD compliance and stormwater management.

20) The Water Governance Review also identified gaps and misalignment in the capacity (skills, funding and information) and capability of the sector with respect to implementation. This has hindered delivery of key outcomes and activities with the ACT Water Strategy.

Options for reform

Reform agenda

21) Resolving the extensive, entrenched issues requires a package of reform activities to redefine the future direction for the water sector, provide leadership and build capability for developing innovative solutions. A reform agenda has been developed through the Water Governance Review to address identified governance issues. The reform agenda is presented in Figure 1 of Attachment D. It contains six priority (foundational) reforms, as well as secondary reforms, which could be implemented in the future pending the outcome of the priority reforms. The reforms

were prioritised against criteria including effectiveness, alignment with the OECD Principles on Water Governance, costs/benefits, practicality of implementation, and level of sector interest/support.

22) Four of the six priority reforms address capacity (resourcing, skills and information) and capability issues. These reflect the extent of capacity and capability shortfalls across the sector and the importance of addressing them to genuinely enable the sector to deliver on outcomes, including the ACT Water Strategy.

Office of Water – established to implement reform agenda and lead on all water policy and planning in the ACT

23) The fragmented nature of water management has contributed significantly to chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management - allowing that the function of the Office provides the centralisation of policy and planning functions, has authority to drive improvement, and is adequately resourced to act.

24) EPSDD has followed a structured process to consider four different options to deliver the reform agenda and the Office of Water. These include:

a. Option 1 – no Office of Water but a coordination forum is established to work on minor governance improvements.

b. Option 2 – an Office of Water is established to provide assurance and play a coordination role in facilitating minor governance improvements.

c. Option 3 (recommended) – an Office of Water is established with responsibility to implement the full reform agenda and assume all water policy and planning functions.

d. Option 4 – a new central water agency is established with responsibility to implement the full reform agenda and assume wide-ranging functions (policy and planning, operational, program delivery, regulatory, some service delivery (Inner-North Reticulation Network).

25) The recommended model (Option 3) for delivering on these core aims is to establish an Office of Water located within EPSDD that leads the implementation of the full reform agenda (i.e., priority foundational reforms and secondary reforms as deemed appropriate pending the outcome of priority reforms). Initially, this model would adopt all water policy and planning functions from the EPSDD, plus clarity of relevant policy/planning functions from other agencies. Policy and planning responsibilities not transferred to the Office of Water could be managed through a Cross-Directorate Group led by the Office of Water. Water regulation, compliance is not proposed to be transferred into the Office for Water.

26) The responsibilities that could be transferred into a centralised policy and planning agency may include: regional water management, water service planning, water accounting and reporting, for example.

27) Legislative amendments within the *Water Resources Act 2007* will be required to formalise the policy functions of the Office (Part 7 Administration)) and to establish a Cross Directorate Committee and revised Cross Agency and Cross Border Catchment Coordination Body as the senior internal and external consultative forum on water matters. Other minor consequential amendments may be required to the *Environment Protection Act 1997*

28) The core aim of the proposed Office of Water is to help the sector better:

a. clarify (or reset) the vision, objectives and goals for the sector;

b. tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;

c. coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated, integrated approach;

d. investigate and resolve deeper issues of governance and structure; and

e. communicate with the public on ACT water resource management issues.

29) The Office would have responsibility to:

a. lead policy and planning for the ACT water sector, including regulatory setting (e.g. setting environmental authorisations for water quality issues);

b. implement the full package of governance reforms in consultation with relevant agencies;

c. undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;

d. provide the primary point of engagement with the ACT community on water sector issues; and

e. undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

30) In addition to delivering the reform agenda/activities and subject to funding, the Office would deliver the following:

a. review and refresh of the ACT Water Strategy 2014-44 Striking the Balance. (Feedback from the sector through the Water Governance Review indicated that the Strategy is difficult to operationalise and implement and that a re-set of the vision for the sector is warranted);

b. develop and implement a Ngunnawal Ngadjung Water Initiative to establish a framework for access to cultural and economic benefits from water including management of water entitlements;

c. develop a long-term Integrated Water Management Plan for water security and climate adaptation; and

d. establish a Water Information Hub to provide improved public access to up-to-date water information and reporting and support improved technical capability across government.

31) The recommended option was assessed as providing the most effective and efficient means by which to deliver against the PAGA commitment, existing policy and program commitments, the proposed package of reform activities and new initiatives (para 27).

32) Implementing an option with narrower scope and reduced resourcing than that proposed (e.g., Options 1 or 2) only provides for minor reforms to be implemented that will not comprehensively address the underlying governance issues or mitigate the strategic risks; preventing effective implementation of water policy and planning. Option 2 has been costed to at least deliver existing policy and programs. The proposed four key deliverables (para 27) would also not be achieved and/or would be delayed and more limited in scope. For example, Options 1 and 2 do not cost for delivery of the Water Information Hub, for providing improved public access to water information, generation of new hydrological information and undertake modelling to support planning for climate change adaptation and integrated water planning. This new hydrological information underpins a proposed framework for Ngunnawal water entitlements to support a cultural economy and improved transparency for the ACT public about water management and usage.

33) Failure to address underlying governance issues presents strategic risks to the ACT Government, and the recommended option aims to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability). There is reputational risk in the continuation of unresolved issues that could erode public confidence in the ability of Government to manage water resources effectively.

34) ERC considered the Business Case for the Office for Water on 24 May 2022 and agreed to resourcing for 2022-23 and 2023-24, to establish the Office and initiate the identified reforms. Resourcing for the subsequent two years would be subject to a mid-term functional review and a new Business Case. The Office would develop the proposed new initiatives, the Ngunnawal Ngadjung Water Initiative and Water Information Hub, however full implementation will be subject to future resource decisions.

35) Following consideration of the Submission by Expenditure Review Committee (ERC), Directors-General met and have proposed a couple of immediate changes to functions as part of the establishment of the Office for Water at Attachment E2.

36) A draft staff structure is provided at Attachment E3. Discussions will continue across Government to try and match resources and accountabilities to functions.

FINANCIAL IMPACT

37) The Office of Water is proposed to operate for four years from July 2022 until June 2026. The continuation of the Office will be subject to an independent mid-term review in 2024 and funding for future years would be sought through a second budget bid for 2024-25 and 2025-26.

38) Subject to agreed funding level agreed by the ERC, the implementation of new initiatives such as the Water Information Hub and the Ngunnawal Ngadjung Water Initiative will be subject to separate funding business cases.

39) A detailed business case outlining the costs for the four options to establish the Office of Water is at Attachment F.

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40) The Office of Water will have a positive impact on all ACT residents through the environment and climate, and governance and institutions wellbeing domains. It will improve governance of ACT water resources, with flow-on benefits for the environment (aquatic and riverine health) and community (social health and connection). The initiative will strengthen the ACT water sector's resilience to cope with projected impacts from climate change and support a growing population.

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its important coordination role. However, it is recommended that the Office is located in an agency (the EPSDD) that aligns with/has broader responsibilities for water management, and reports to the Minister for Water and the Legislative Assembly.

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48) It is proposed that a communications and engagement strategy is developed within the first three months of the Office's establishment given its key roles in water coordination and ensuring transparency and effective communication with key stakeholders and the ACT community.

49) Opportunities to announce the Office are being considered by EPSDD, for example during National Water Week in October, and a subsequent briefing will be provided.

IMPLEMENTATION

Table 2: **Implementation milestones and timeframes**

Milestones	Date to be completed[#]
Governance reform agenda – priority reforms	
1. Review of Administrative Arrangements to address alignment of core policy, planning, operational and regulatory functions	December 2022
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9. Develop a Long-term Integrated Water Management Plan (Water Security Plan)	July 2024
10. Water Information Hub – information on quality, quantity, compliance, licencing, etc, accessible to public.	July 2024
Final completion date:	June 2026

Dates for milestone delivery will be confirmed through an annual work plan developed by the Office of Water.

HUMAN RIGHTS IMPACT

50) Nil.

Minister's signature _____ Date 16/6/22

ATTACHMENTS

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B	Open Access Assessment: Cabinet Decision and Wellbeing Impact Assessment Summary
C	Wellbeing Impact Assessment
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E3	Draft Staff Structure
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G	ACT Commissioner for Sustainability and Environment investigation into the state of lakes and waterways – draft recommendations

ACT Government

CABINET SUBMISSION

22/159

Title	Office of Water
Meeting type	Cabinet
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Wednesday, 22 June 2022
Status	FINAL
Relationship to previous decisions	None
Purpose	This submission advises Cabinet on a reform agenda for ACT water governance and recommends the establishment of an Office of Water to implement reforms.
Category	Category 1 - Government priorities
Financial impact	Yes
Treasury agreement	Yes Date provided for Treasury agreement to financial implications: 04/05/2022 Date of Treasury agreement 06/05/2022:
Is ERC consideration required?	Yes If yes, select ERC meeting date: Tuesday, 24 May 2022
Legislative change	No - change to legislation not required
Regulatory impact	No
Wellbeing Impact Assessment	Yes
Primary Wellbeing Domain	Environment and climate

RECOMMENDATIONS

1) I recommend that Cabinet agree to:

   a. the proposal to establish a new Office of Water within the Environment, Planning and Sustainable Development Directorate, consistent funding agreed by Expenditure Review Committee;

   b. the establishment of a new Cross-Directorate group chaired by the Head of the Office of Water (replacing Directors-General Water Group) for water matters; and

   c. legislative amendments to Part 7 of the *Water Resources Act* 2007 to

      i. provide clarity on the role of the Office of Water and the Environment Protection Agency; and

      ii. provide clarity on the role and purpose of the ACT Catchment Management and Coordination Group.

2) I recommend that Cabinet note:

   a. the Government's commitment to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy (Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly);

   b. that significant governance issues exist in the ACT water sector relating to capability and capacity, roles and responsibilities, and coordination, and that these issues are hindering delivery of water policy and planning functions and program implementation;

   c. the imminent release of the ACT Commissioner for Sustainability and Environment investigation into the 'State of Lakes and Waterways' which identifies the need for reform in water governance and policy, among other matters (draft recommendations by the Commissioner is provided at Attachment G);

   d. that establishing an Office of Water will implement priority (foundational) governance reforms, delivering new policy initiatives and assets to address strategic gaps;

   e. that establishing an Office of Water with lesser scope and resourcing than which is recommended will not address the strategic risks that have been identified; and

   f. the 24 May 2022 Expenditure Review Committee decision on the Office of Water Business Case.

3) I recommend that Cabinet note:

a. the advice to the Chief Minister on the release of the Cabinet Decision Summary (Attachment B) as required under Section 23 of the *Freedom of Information Act 2016*;

b. the following summaries to be released:

   i. Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio of the Minister for Water.

   ii. A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate-resilient and water-secure city which continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Islander Agreement and the National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

SUPPORTING ARGUMENT

BACKGROUND

1) The Parliamentary and Governing Agreement for the 10th Legislative Assembly (PAGA) agrees an executive reform to 'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.

2) On 27 November 2019, the ACT Legislative Assembly passed a resolution on water security which called on the Government to:

    a. continue to implement and promote the ACT Water Strategy 2014-2044;

    b. hold consultations with water stakeholders and experts; and

    c. ensure climate change projections are considered in long-term planning and decision-making.

3) A water security workshop was held with a range of experts and stakeholders on 6-7 July 2020. Water governance was a recurring theme throughout the workshop, with general acknowledgement that a holistic governance structure was required to manage the region's future water security.

4) In response to the PAGA executive reform order, in 2021-22 Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT (Water Governance Review). The review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on current issues impacting the water sector and potential solutions. The findings of the review are discussed further in the 'Issues' section below.

5) The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management, including monitoring, evaluation and reporting processes. The final report is due in May 2022 and is expected to critique the effectiveness of water planning and policy implementation, and adequacy of associated resourcing.

6) Climate change presents new challenges to the way that the ACT's water resources are managed and responding to these challenges requires effective governance arrangements. A 2021 climate change risk assessment by the ACT Office for Climate Action identified drought and drinking water supply as a high strategic risk for the ACT, and noted that these risks have interdependencies with other risks across the social, economic, natural environment, built environment and governance domains. The risk assessment recommended further embedding drought hazard modelling for future conditions in planning.

7) Analysis by Icon Water on changes to inflows into the ACT's water storages over the past 20 years indicates that climate impacts on our water resources are already occurring, decades earlier and

more pronounced than in the climate modelling used for the 2021 climate change risk assessment. Further modelling and analysis are needed to understand the full nature and extent of climate change impacts on the ACT's water supply and to plan appropriately for those impacts.

8) The ACT Government does not have an integrated water management plan in place. Addressing wastewater (including recycled water options) and alternative water supply options would support the ACT to become a more water-secure city in the context of climate change and a growing population. This includes implementing water sensitive urban design (WSUD) as an adaption response. The 2019 ACT State of the Environment report recommended identifying opportunities to further develop WSUD measures.

9) Climate change projections indicate that more frequent extreme flooding is expected in the ACT due to an increase in high intensity rainfall events, compounded by hard infrastructure from urban development. The ACT's Territory Wide Risk Assessment (2017), completed by the Justice and Community Safety Directorate – Emergency Services Agency (ESA), identified flash floods as a high risk to the ACT and the 2021 climate change risk assessment recommended further work to build flood resilience. In particular, the risk assessment highlighted the need to embed flood hazard modelling for current and future conditions in planning and to embed flood adaptation actions in a strategy for implementation. In contrast to other jurisdictions and national best practice, the ACT does not have a floodplain management entity or a strategic flood risk management plan in place. Flood management responsibility sits within the ESA while other water management responsibilities are within other parts of the government.

10) The ACT Government introduced the *Waterways: WSUD general code* into the Territory Plan in 2009 (latest revision effective February 2020). The code aims to encourage reduced use of mains water, improve water quality and manage stormwater flows in urban areas. Despite the code being in place for over ten years, results of recent water quality monitoring (Catchment Health Indicator Program reports, 2019 ACT State of the Environment report) suggest that implementation of WSUD in the ACT has been ineffective at delivering improved water quality for Canberra's urban lakes.

11) Recent reviews in 2020 and 2021 of WSUD application in the ACT have been undertaken by external experts for EPSDD and Transport Canberra and City Services. The reviews identified issues with WSUD application, including: a lack of compliance checks and performance monitoring (to ensure that WSUD measures are designed to code and are functioning as expected to meet the objectives of the policy); agency alignment/commitment to the policy; cross-agency governance arrangements to resolve issues; and dedicated staff in EPSDD with the knowledge and training in WSUD application to undertake regular compliance and review.

12) In 2018, the ACT Auditor-General delivered the performance audit report *Acceptance of Stormwater Assets*. The report found that stormwater asset management objectives (for example those set in the ACT Water Strategy) may not be met due to deficiencies in asset acceptance processes and the management of accepted stormwater assets. It noted the absence of catchment-wide stormwater planning, the need to better integrate traditional stormwater design

with sustainable WSUD, and the importance of ensuring an effective cross-agency approach is taken to the overall management of stormwater assets.

13) The ACT Auditor-General's report recommended that governance supporting the acceptance of stormwater assets needed to be improved through improvements in agencies' risk management and performance reporting, and updating of codes and standards that guide the design and development of assets (ACT Audit Office 2018). This work has not been substantially progressed since 2018 due to lack of clarity on decision-making for this issue and agency capacity.

14) The ACT Water Abstraction Charge (WAC) is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of the water resource (DI-2003-333, Explanatory Statement). The Australian Competition and Consumer Commission (ACCC) reports annually on regulated water charges and compliance with the Commonwealth Water Market and Water Charge Rules (ACCC Water Monitoring Report); the ACT WAC is subject to this annual report. For the 2020-21 period, the ACT Government reported that revenue collected from the WAC exceeded expenditure on eligible water management activities by $18.87 million. Significant variances have been reported annually since 2015. The Water Governance Review and the Commissioner's report into the state of the lakes and waterways in the ACT highlight significant under resourcing of water management activities.

15) By 2024, two policy reviews are scheduled to be undertaken that will help set the direction for the ACT water sector for the next ten years:

   a. ten-year review of the ACT Water Strategy 2014-44: Striking the Balance (ACT Water Strategy); and

   b. five-yearly review of the Water Resource Environmental Flows Guidelines 2019. The Environmental Flows Guidelines define environmental flows for the protection of aquatic ecosystems, as required by the ACT *Water Resources Act 2007*.

ISSUES & OPTIONS

Issues with current ACT water governance arrangements

16) The Water Governance Review identified chronic governance issues across the ACT water sector (Attachment D). The issues are summarised as:

   a. poorly defined roles and responsibilities;

   b. inadequate capacity (resourcing, skills, and information) and capability; and

   c. poor inter-agency coordination and decision-making on cross-sectoral issues.

17) ACT water resources are managed through responsibilities shared across multiple agencies and entities:

   a. Environment Protection Authority (EPA) in Access Canberra – regulation and enforcement;

b. Environment, Planning and Sustainable Development Directorate (EPSDD) – water policy (domestic and inter-jurisdictional), planning, science, program implementation, water efficiency and catchment management;

c. Chief Minister, Treasury and Economic Development Directorate (CMTEDD) – interjurisdictional relations, regional collaboration and development, water pricing;

d. Transport Canberra and City Services Directorate (TCCS) – own, manage stormwater assets, dam safety, service provider (inner north reticulation network);

e. Justice and Community Safety Directorate's (JACS) Emergency Services Agency (ESA) – flood management and response;

f. ACT Health Directorate – drinking water licencing, monitors recreational water quality;

g. National Capital Authority – management of water resources within Lake Burley Griffin; and,

h. Icon Water – ACT Government-owned water utility, water entitlement/licence holder.

18) Current agency water management responsibilities were mapped using stakeholder input through the Water Governance Review (Attachment E1). The mapping process revealed that there are poorly defined, fragmented and/or overlapping water roles and responsibilities across the sector. The map represents the views of stakeholders on responsibilities – which were conflicting on some areas – demonstrative of the lack or clarity in the sector. It is recommended that a 'trueing up' and validation is undertaken as a priority foundational reform action to help clarify roles and responsibilities and to investigate options to amend Administrative Arrangements that would better align core policy, planning, regulatory and service delivery responsibilities.

19) Poorly defined roles and responsibilities have contributed to uncertainty over ownership of cross-sectoral issues and led to poor collaboration and policy implementation. Without a defined approach and accountability to coordinate decision-making and responses on multi-stakeholder issues, there has been a lack of progress in developing timely responses. This has been particularly evident in, but not limited to, inter-jurisdictional matters, integrated water management planning, WSUD compliance and stormwater management.

20) The Water Governance Review also identified gaps and misalignment in the capacity (skills, funding and information) and capability of the sector with respect to implementation. This has hindered delivery of key outcomes and activities with the ACT Water Strategy.

Options for reform

Reform agenda

21) Resolving the extensive, entrenched issues requires a package of reform activities to redefine the future direction for the water sector, provide leadership and build capability for developing innovative solutions. A reform agenda has been developed through the Water Governance Review to address identified governance issues. The reform agenda is presented in Figure 1 of Attachment D. It contains six priority (foundational) reforms, as well as secondary reforms, which could be implemented in the future pending the outcome of the priority reforms. The reforms

were prioritised against criteria including effectiveness, alignment with the OECD Principles on Water Governance, costs/benefits, practicality of implementation, and level of sector interest/support.

22) Four of the six priority reforms address capacity (resourcing, skills and information) and capability issues. These reflect the extent of capacity and capability shortfalls across the sector and the importance of addressing them to genuinely enable the sector to deliver on outcomes, including the ACT Water Strategy.

Office of Water – established to implement reform agenda and lead on all water policy and planning in the ACT

23) The fragmented nature of water management has contributed significantly to chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management - allowing that the function of the Office provides the centralisation of policy and planning functions, has authority to drive improvement, and is adequately resourced to act.

24) EPSDD has followed a structured process to consider four different options to deliver the reform agenda and the Office of Water. These include:

a. Option 1 – no Office of Water but a coordination forum is established to work on minor governance improvements.

b. Option 2 – an Office of Water is established to provide assurance and play a coordination role in facilitating minor governance improvements.

c. Option 3 (recommended) – an Office of Water is established with responsibility to implement the full reform agenda and assume all water policy and planning functions.

d. Option 4 – a new central water agency is established with responsibility to implement the full reform agenda and assume wide-ranging functions (policy and planning, operational, program delivery, regulatory, some service delivery (Inner-North Reticulation Network).

25) The recommended model (Option 3) for delivering on these core aims is to establish an Office of Water located within EPSDD that leads the implementation of the full reform agenda (i.e., priority foundational reforms and secondary reforms as deemed appropriate pending the outcome of priority reforms). Initially, this model would adopt all water policy and planning functions from the EPSDD, plus clarity of relevant policy/planning functions from other agencies. Policy and planning responsibilities not transferred to the Office of Water could be managed through a Cross-Directorate Group led by the Office of Water. Water regulation, compliance is not proposed to be transferred into the Office for Water.

26) The responsibilities that could be transferred into a centralised policy and planning agency may include: regional water management, water service planning, water accounting and reporting, for example.

27) Legislative amendments within the *Water Resources Act 2007* will be required to formalise the policy functions of the Office (Part 7 Administration)) and to establish a Cross Directorate Committee and revised Cross Agency and Cross Border Catchment Coordination Body as the senior internal and external consultative forum on water matters. Other minor consequential amendments may be required to the *Environment Protection Act 1997*

28) The core aim of the proposed Office of Water is to help the sector better:

a. clarify (or reset) the vision, objectives and goals for the sector;

b. tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;

c. coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated, integrated approach;

d. investigate and resolve deeper issues of governance and structure; and

e. communicate with the public on ACT water resource management issues.

29) The Office would have responsibility to:

a. lead policy and planning for the ACT water sector, including regulatory setting (e.g. setting environmental authorisations for water quality issues);

b. implement the full package of governance reforms in consultation with relevant agencies;

c. undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;

d. provide the primary point of engagement with the ACT community on water sector issues; and

e. undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

30) In addition to delivering the reform agenda/activities and subject to funding, the Office would deliver the following:

a. review and refresh of the ACT Water Strategy 2014-44 Striking the Balance. (Feedback from the sector through the Water Governance Review indicated that the Strategy is difficult to operationalise and implement and that a re-set of the vision for the sector is warranted);

b. develop and implement a Ngunnawal Ngadjung Water Initiative to establish a framework for access to cultural and economic benefits from water including management of water entitlements;

c. develop a long-term Integrated Water Management Plan for water security and climate adaptation; and

d. establish a Water Information Hub to provide improved public access to up-to-date water information and reporting and support improved technical capability across government.

31) The recommended option was assessed as providing the most effective and efficient means by which to deliver against the PAGA commitment, existing policy and program commitments, the proposed package of reform activities and new initiatives (para 27).

32) Implementing an option with narrower scope and reduced resourcing than that proposed (e.g., Options 1 or 2) only provides for minor reforms to be implemented that will not comprehensively address the underlying governance issues or mitigate the strategic risks; preventing effective implementation of water policy and planning. Option 2 has been costed to at least deliver existing policy and programs. The proposed four key deliverables (para 27) would also not be achieved and/or would be delayed and more limited in scope. For example, Options 1 and 2 do not cost for delivery of the Water Information Hub, for providing improved public access to water information, generation of new hydrological information and undertake modelling to support planning for climate change adaptation and integrated water planning. This new hydrological information underpins a proposed framework for Ngunnawal water entitlements to support a cultural economy and improved transparency for the ACT public about water management and usage.

33) Failure to address underlying governance issues presents strategic risks to the ACT Government, and the recommended option aims to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability). There is reputational risk in the continuation of unresolved issues that could erode public confidence in the ability of Government to manage water resources effectively.

34) ERC considered the Business Case for the Office for Water on 24 May 2022 and agreed to resourcing for 2022-23 and 2023-24, to establish the Office and initiate the identified reforms. Resourcing for the subsequent two years would be subject to a mid-term functional review and a new Business Case. The Office would develop the proposed new initiatives, the Ngunnawal Ngadjung Water Initiative and Water Information Hub, however full implementation will be subject to future resource decisions.

35) Following consideration of the Submission by Expenditure Review Committee (ERC), Directors-General met and have proposed a couple of immediate changes to functions as part of the establishment of the Office for Water at Attachment E2.

36) A draft staff structure is provided at Attachment E3. Discussions will continue across Government to try and match resources and accountabilities to functions.

FINANCIAL IMPACT

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Dates for milestone delivery will be confirmed through an annual work plan developed by the Office of Water.

HUMAN RIGHTS IMPACT

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Minister's signature _____ Date ___/___/_____

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MINISTER FOR WATER, ENERGY AND EMISSIONS REDUCTION

CABINET BRIEF 22/159

Title	**Office of Water**
Minister	Shane Rattenbury MLA Minister for Water, Energy and Emissions Reduction
Cabinet date	Wednesday, 22 June 2022
Recommended position	SUPPORT

Submission recommendations
That you support all recommendations as drafted.

Final Agency responses
Formal comments were received during final circulation from Access Canberra. Access Canberra expressed that they do not support a modification of existing EPA regulatory functions around water allocation and trade, or any transfer of resources from EPA to the Office of Water. The proposed model for the Office of Water includes the policy and planning functions to develop the trade framework and associated policies. It is intended that the EPA will retain responsibility for regulation and compliance for water allocation and trade. The Cabinet submission can be amended to clarify.

CMTEDD (Treasury and Policy and Cabinet) do not support the proposed governance model, expressing preference for a model that provides facilitates coordination only and maintains the fragmentation of planning and policy responsibilities across multiple agencies. Treasury's are provided in the ERC paper E0009. The EPSDD's response to Treasury has been provided within the ERC paper.

EPSDD worked through a participatory process to develop a whole of government policy response to chronic governance issues negatively impacting water management outcomes. The solution proposed be EPSDD is focused on providing a good policy outcome. Concerns being raised are self-focused on the protection agency resources. The option preferred by CMTEDD will not deliver the necessary reforms to address the substantial issues that have been identified.

Issues

In response to the PAGA executive reform order, the Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT during 2021-22 (Water Governance Review).

The Review highlighted chronic issues extending across all areas of the water sector that are impacting agency performance. The issues are summarised as: poorly defined roles and responsibilities; inadequate capability and capacity (resourcing); and poor inter-agency coordination and decision-making on cross sectoral issues.

The Office of the Commissioner for Sustainability and the Environment is concluding a review into the condition of Canberra's lakes and waterways and the effectiveness of the ACT Government's management; scheduled to be provided to Cabinet on 6 June 2022. The Report validates the governance issues raised in the Water Governance Review and provides specific detail on the negative effect that these governance issues are having on water management outcomes; for example, ineffective

implementation of water sensitive urban design and deteriorating water quality. The Commissioner also provides analysis highlighting that the issues being reported remain unaddressed since the 2019 State of Environment Report. The recommendations from the State of the Lakes and Waterways report are provided in the Submission at Attachment G.

The proposed model for the Office of Water, and associated priority reform activities, have been developed as a proportionate response to the issues raised during the Water Governance Review and the associated strategic risks. The solution set proposed was developed with the participation of all ACT Government agencies with water responsibilities and Icon Water.

Resourcing of water management activities is a critical inhibitor to the implementation of existing policy, strategies and plans, operations and maintenance, and compliance – this is supported by both the Water Governance Review and the Commissioner's report.

The proposed model for the Office of Water, the associated priority reforms and new initiatives, seek to provide renewed investment in ACT water management. The proposed model and the level of resource investment would support existing business activities and initiate new activities aligned with the Government's policy agenda, including social justice for Traditional Owners (cultural flows) and climate adaptation (water security).

Alternative options for the Office of Water with reduced resourcing are included within the business case. These lower cost alternative options, as preferred by Treasury, are expected to support some improvement in existing water management activities however will not be able to support substantial governance reforms or new initiatives without trade-offs to existing business activities. The alternative options are unlikely to support an effective response to the issues raised in the Commissioner's report on the state of the lakes and waterways in the ACT.

The water abstraction charge (WAC) is imposed to recover the catchment management costs and reflect the environmental cost of water extraction and the value of the water resource. The revenue raised by the WAC grossly exceeds expenditure on relevant water management activities. For the 2020-21 financial year, the variance between revenue and expenditure was $18.87m. Significant shortfalls in expenditure are reported since 2015. The proposed model for the Office of Water and associated deliverables seeks $6.1m spread over four years to June 2026 (between $1.3-$1.6m per year).

Wellbeing Impact Assessment

The Office of Water will have a positive impact on all ACT residents through the environment and climate, and governance and institutions wellbeing domains. It will improve governance of ACT water resources, with flow-on benefits for the environment (aquatic and riverine health) and community (social health and connection). The initiative will strengthen the ACT water sector's resilience to cope with impacts from climate change and support a growing population.

Context and consultation

Consultation on the development of the proposed model for the Office of Water, the priority reforms and new initiatives have been developed with the participation of all ACT Government agencies with water management responsibility and Icon Water. These 'stakeholders' will be most impacted by the proposed new governance arrangements.

The proposal provides a governance structure and level of investment that responds to issues that have been previously raised by different elements of the community over many years.

Icon Water conducted extensive community engagement in 2021 - "Let's Talk". The engagement program highlighted that water security, innovation, sustainability and water tariffs are the highest priorities for the community. The role of Icon Water versus the Government in progressing these matters was a common point of discussion in the community forums.

Cleared:	Ian Walker, Executive Group Manager, Environment, Heritage and Water (EPSDD)
Prepared by:	Ryan Breen, Director Water Policy Section

ATTACHMENT A

EXPOSURE DRAFT COMMENTS – 22/159

Exposure circulation undertaken: Bypassed exposure circulation

Reason for exception: Critical timing to meet the 2022-23 Budget process timeframes.

Dates circulated: N/A

FINAL COMMENTS – 22/159

Final circulation undertaken: 2 day final circulation

Reason for exception: N/A

Dates circulated: 19 – 23 May 2022

Directorate	Comment	Response
CMTEDD	Supported subject to the following comments: • Treasury does not support Option 3, which would transfer a considerable range of expert advice from broader directorate and Ministerial perspectives, through seeking to merge all roles in one team and Minister. ○ Roles and responsibilities relating to the water sector currently span across multiple ministerial portfolios and agencies, and can have significant impacts on other areas of Government, for example: ▪ enforcement of environmental protection – Environment Protection Authority within	The submission does not propose transferring regulation and compliance functions associated with water allocation and trade from the EPA into the Office of Water. The Office of Water would have policy and planning functions to develop the trade framework and associated policies.

	CMTEDD (Access Canberra); ▪ stormwater asset management which – Roads Infrastructure and Maintenance within TCCS; ▪ monopoly and price regulation, fees and charges, funding of emergency water infrastructure, assistance schemes, Community Service Obligation Payments, concessions and rebates – Treasury; ▪ climate change – Office of Climate Action; ▪ planning, water security, healthy waterways – EPSDD. ○ This has facilitated engagement and collaboration between agencies to tackle water related issues. • Policy and Cabinet (PCD) notes that reviewing Administrative Arrangements to better align core water policy, planning, operational and regulatory functions is a priority reform item in the business case. As such, PCD recommends against transferring responsibilities for water that do not sit within EPSDD until such time that a review is carried out. ○ In particular, PCD notes sensitivities and broader considerations underpinning cross-border water supply and regional water management listed in the submission. PCD considers these matters, along with broader regional cross-border strategic policy and collaboration, should remain within the Chief Minister's portfolio. ○ It is noted the business case proposes a delegation instrument be used to define initial responsibility	

	assigned to the Head of the Office of Water in the interim period. PCD considers this should not include any responsibilities that do not currently sit under the remit of the Minister for Water. • Access Canberra has identified an issue that warrants clarification around proposed structural changes for the Office of Water that may be inconsistent with National Water Initiative principles: ○ Paragraph 26 of the submission states: 'the responsibilities proposed to be transferred into a centralised policy and planning agency may include: cross border water supply and regional water management, water allocation and trade, water service planning, water accounting and reporting for example.' Page 11 of the submission further references "…delivery of water trading" under potential responsibilities for the Office. Notwithstanding most of those responsibilities already sit within EPSDD – the mention of water allocation and trade being transferred is concerning. Water allocation and trade currently sits within the regulatory function of the Environment Protection Authority (EPA). The transfer of that function to a policy and planning area is not aligned with National Water Initiative principles and such an arrangement – as was in place in NSW prior to a restructure – was identified in the recent Murray Darling Basin Authority (MDBA) water theft investigations as being a contributor to poor governance & accountability issues leading to improper water allocations. During the MDBA investigations, the	

	current ACT arrangements for water allocation and trade were not identified as having issues. ○ Model 3 for the Office of Water does not appear to recommend transfer of the role of water allocation and trade, rather it simply mentions transfer of some planning functions currently with EPA (perhaps planning referrals?). Therefore this appears to also be going beyond the Aither Report recommendations. • Accordingly, CMTEDD (representing PCD, Treasury and Access Canberra) recommends the cabinet submission clarifies that the proposed structure of the Office of Water does not seek to modify existing regulatory functions of the EPA around water allocation and trade, or reduce the regulatory capacity of the EPA by transferring any of its limited resources to the proposed Office of Water. Any removal of existing resources from the EPA will reduce its capacity to uphold various regulatory protections. • CMTEDD supports the approach of Option 2, which would apply the model successfully implemented by the Office of Climate Action, in coordinating the implementation of Government priorities, with the input and engagement of other directorates. • The establishment of an Office of Water, through Option 2, is likely to improve inter-agency coordination, noting various agencies have responsibilities and contributions into water policy.	
JACS	Supported.	
HD	Supported.	

CHS	Supported.	
EDU	Supported.	
TCCS	Supported.	
CSD	Supported.	
MPC	Supported.	
Statutory Office Holder	Supported.	

FINAL (POST-ERC) COMMENTS – 22/159

Final circulation undertaken: 2 day final circulation

Reason for exception: N/A

Dates circulated: 16-20 June 2022

Directorate	Comment	Response
CMTEDD	Support with comment • CMTEDD notes paragraphs 24 and 25 of the submission still refer to the options preferred by the Minister during the submission's original development. The Expenditure Review Committee agreed for a new option in line with the funding profile endorsed at ERC to be brought back to	Noted.

	Cabinet. ○ The new hybrid option – which we understand the Minister for Water, Energy and Emissions Reduction is supportive of – falls between Options 2 and 3 outlined in the original submission and does not require a change to the Administrative Arrangements.	
	• CMTEDD notes that ERC recommended the Office of Water be established with $4.244 million in expense funding over 2022-23 and 2023-24, partially offset by $2.655 million from within EPSDD existing staff and resources, with a review around the effectiveness of the Office of Water's activities, to inform a proposal to come forward in the 2024-25 Budget process for ongoing funding/further resourcing.	Noted.
	• CMTEDD notes that under the recommendations agreed by ERC, there will be no transfer of staff from CMTEDD into the Office of Water.	Noted.
	• CMTEDD notes an update to the *Water Resources Act* will better clarify the split of policy and regulatory functions between EPSDD and the EPA, and may include consequential amendments to the Environment Protection Act.	Noted. EPSDD will continue to consult with CMTEDD through a process of legislative review which will necessarily effect both the *Water Resources Act* and *Environment Protection Act*.
	• Access Canberra will continue to work closely with EPSDD in establishing the administrative arrangements for the new Office of Water.	Noted. EPSDD will continue to work with CMTEDD to ensure the establishment of the Office of Water meets government's objectives.

JACS	Supported.	
HD	Supported.	
CHS	Supported.	
EDU	Supported.	
TCCS	Supported.	
CSD	Supported.	
MPC	Supported.	
Statutory Office Holder	Supported.	

ATTACHMENT B

OPEN ACCESS ASSESSMENT: CABINET DECISION AND WELLBEING IMPACT ASSESSMENT SUMMARY

The Chief Minister must proactively release the information described in section 23 of the *Freedom of Information Act 2016* (the FOI Act) unless the information is contrary to the public interest in accordance with sections 16 and 17, and schedules 1 and 2 of the FOI Act. Please refer to the Cabinet Sharepoint Site for further guidance on what is within the scope of Open Access requirements.

If you believe that release of this information is within the scope of Open Access requirements and would be contrary to the public interest, please complete Part B.

PART A: Release proposed

Number and title of decision: **22/159 – Office of Water**

Proposed summary of the decision for public release
Cabinet agreed to establish an Office of Water within the Environment, Planning and Sustainable Development Directorate, within the portfolio for the Minister for Water.

Proposed summary of the Wellbeing Impact Assessment for public release
A new Office of Water will drive holistic water management in the ACT, contributing to improved wellbeing in the domains of environment and climate, and governance and institutions. The Office of Water will enable Canberra to become a more climate resilient and water secure city that continues to offer residents of the ACT and surrounding region access to healthy rivers and lakes. A new Ngunnawal Ngadjung Water Initiative delivered by the Office will provide a platform for implementing the ACT Government's commitments under the ACT Aboriginal and Torres Strait Island Agreement and the National Agreement on Closing the Gap by increasing opportunities for Ngunnawal people to access cultural and economic benefits from water and to participate more fully in water management.

Attachments for release

Summary of the decision	**Release through the Open Access website?**	**Release by Directorate?**
Summary of the decision	Yes	
Attachment A Table of final agency comments		
Attachment B Open Access Assessment – Decision Summary		
Attachment C Wellbeing Impact Assessment	Yes	No
Attachment D Report – ACT Water Governance Review 2022	No	No
Attachment E Map of current ACT Government arrangements, revised structure and draft staff structure.	No	No
Attachment F Business Case	No	No

CABINET

WELLBEING IMPACT ASSESSMENT

Office of Water – Building a water secure city | **EPSDD** | **Wellbeing Impact 1**

Purpose of proposal

This proposal seeks to establish a new Office of Water located within EPSDD. The Office will lead the implementation of a package of reforms to improve water management in the ACT and drive strategic policy development. Improved governance is necessary to support a more efficient, effective and coordinated approach to water management in the ACT and region, and to equip the ACT Government to respond to the challenges posed to water security by a growing population and a changing climate.

Impact description

Holistic water management is essential for supporting a resilient and water secure city: for ACT residents to continue to access affordable, clean drinking water and to enjoy the many values (aesthetic, recreational, tourism, sporting, cultural and ecological) provided by the ACT's rivers and lakes.

The proposal will have a major positive impact through increased public confidence in the ACT Government's effective management of water resources, with benefits for the environment (aquatic and riverine health) and community (social health and cultural connection) through more effective program delivery and implementation. Improving water governance will provide a water sector that is resilient and responsive to climate change and population growth.

Improving public access to water information, as proposed, provides improved transparency and accountability of Government and opportunity for community participation in water resource management. This will contribute to a community that is better informed on water issues and increased trust in Government.

The proposal will have a positive impact on the wellbeing of Aboriginal and Torres Strait Islander Peoples through the development and delivery of a new 'Ngunnawal Ngadjung Water Initiative'. The Initiative aims to support increased participation of Ngunnawal people in water management and promote their stronger access to water for cultural use and economic opportunities.

Who is affected?

This proposal will contribute to improved wellbeing for all residents of Canberra and the surrounding region related to:

- the use of ACT's lakes and waterways for water consumption, recreation, cultural and aesthetic purposes;
- economic investment in urban development and industry; and
- a climate resilient and water secure city.

The wellbeing of some elements of the community will benefit more from the proposal, specifically:

- Ngunnawal people who will have increased opportunities for participation in water management and water access (through development of a Ngunnawal Ngadjung Water Initiative led by the Office);
- ACT residents seeking a climate resilient, water secure city;
- environmental advocates and recreational enthusiasts concerned for the health of ACT lakes and waterways; and
- water utilities and industry seeking confidence to invest in new water infrastructure.

Wellbeing domain

Environment and climate

The primary wellbeing domains impacted by this proposal are **environment and climate** and **governance and institutions.** However, because of the integral value of water to the ACT community there are also secondary impacts on the domains of health, economy and social connection.

WELLBEING IMPACT ASSESSMENT

Timeframe

Table 1.

Benefit	Timeframe for impact
Greater participation of Ngunnawal people in water management	1 year
Stronger ACT water governance arrangements in place	1-3 years
More informed public about how ACT water resources are managed	1-5 years
Increased trust by public in institutions/ACT Government's water management	3-5 years
ACT residents have access to cleaner lakes and waterways	5 years - decades
Improved outcomes for aquatic health of lakes and waterways	5 years -decades
Increased long term water security / security of supply	5 years - decades

Evidence base and data

What do we know now?

Scientific monitoring of catchment condition and water quality, and reviews of policy and policy implementation highlight significant issues resulting from the current governance arrangements intended to support the management of ACT waterways and water resources. Together they present a strong case for reform.

The ACT Whole of Government Climate Change Risk Assessment identifies several water-related issues as priority climate change risks for the ACT:

- water storage impacts and reduction of drinking water supply
- reduction in water quality affecting freshwater ecosystems
- reducing stability of alpine and subalpine environments.

The risk assessment notes that these risks have multiple interdependencies with other risks across other social, economy, built environment, natural environment, and governance domains. (ACT Government/AECOM Findings Webinar. Feb 2022).

Icon Water (2021. Report on the Survey of the ACT Drinking Water Catchment 2019-21) presents analysis of the change in inflows into the ACT 's water storages over the last 20 years. This analysis indicates that climate impacts on our water resources are occurring now, decades earlier and more pronounced than in the climate modelling used for the adaptation risk assessment. In addition to the reduction in water availability, the resultant effect of the changing climate is also evident in the declining water quality, increased temperatures and more frequent extreme weather events.

The Catchment Health Indicator Program (CHIP) collects data across the upper Murrumbidgee catchment. Over the period 2019-2020, approximately 59% of reaches across the upper Murrumbidgee catchment fell into the fair or poor range. For the 15 reaches of Ginninderra Creek catchment, where over 42% of ACT residents live, only one reach was classified in 'good' condition, with the remaining classified as fair (12) and poor (2). (CHIP reports 2019-2020)

The Office of the Commissioner for Sustainability and the Environment (OCSE) is concluding a review into the effectiveness of the ACT Government's management of Canberra's urban lakes and waterways. The final report is due in May 2022, however, early findings highlight many systemic problems impacting ACT waterways and resulting in high turbidity, algal blooms, untreated stormwater impacts, and poor policy implementation (e.g., water sensitive urban design) (Alluvium 2021, ACT Waterways Policy Review).

EPSDD led a review into water governance in 2020-21 which identified multiple, broad-ranging governance issues impacting the ACT water sector. If left unaddressed, these issues threaten to undermine the ability of the ACT government to effectively manage the ACT's water resources into the future. Issues relate to poorly defined roles and responsibilities across different agencies, inadequate capability and capacity of agency staff and poor cross-sectoral coordination. The review also highlighted key policy gaps, for example in long-term water planning for water security.

A long-term integrated water management plan (IWMP) is proposed to ensure we are a climate resilient and water secure city into the future. The ACT's population is projected to increase to 700,000 people by 2058 that will place greater pressure on the available water resources. Managing these multiple pressures relies on effective governance structures.

In June 2020 an expert stakeholder water security workshop was held in response to a 2019 ACT Legislative Assembly resolution on water security. The workshop underscored the need to develop a long-term plan for water security, and participants acknowledged that a more holistic governance structure was needed to manage the region's future water security.

WELLBEING IMPACT ASSESSMENT

Through the EPSDD-led water governance review, the Dhawura Ngunnawal Caring for Country Committee shared their perspectives on some of the barriers preventing stronger and more meaningful participation of Ngunnawal people in setting the vision for the sector and participating in water management decisions. They are encouraged by the direction and scale of proposed changes and are keen to continue the conversation with the ACT Government on how the Office and Ngunnawal Ngadjung Water Initiative can help remove these barriers.

What do we need to know?

The data needed to measure wellbeing impact is set out in the section below on 'accountability and evaluation'. The proposal includes a workplan to identify what new data and modelling needed to monitor and evaluate water quality outcomes.

Accountability and evaluation – how will we know this proposal has been successful?

The reviews and investigations described above provide a strong basis for institutional reform. It is proposed that a formal, independent review of the delivery of the proposal (Office of Water) occurs in year three of the Office's establishment. This review would assess:

- successful establishment of the Office
- delivery of reform agenda
- delivery of policy initiatives (e.g., Ngunnawal Ngadjung Water Initiative, refreshed Water Strategy, a long-term Integrated Water Management Plan for water security)
- delivery of the Water Information Hub asset
- early indications that the reforms and new policy development is translating to benefits in the wellbeing domains of environment and climate, and governance and institutions.

An early-stage evaluation plan is being developed by the Water Policy team, including indicators to better understand changes to governance, public awareness on water issues, public confidence in having a say on water issues, and riparian/aquatic outcomes.

An evaluation framework would be developed within the first six months of the Office's establishment to form the basis of the mid-term review and set out the performance metrics for annual reporting. Annual reporting could relate to the National Performance Reporting indicators and the revised ACT Water Strategy.

Key relationships

Water sector representatives have provided input to the development of the proposed Office of Water and package of priority reform activities through the EPSDD water governance review. Agencies included in the Review Advisory Group include:

- CMTEDD (Chief Minister, Treasury, Utilities Technical Regulator)
- Access Canberra (EPA)
- TCCS (City Operations and Roads ACT)
- Icon Water.

These stakeholders broadly agree on the nature and extent of issues around water governance in the ACT, the need for urgent major reforms and the merits of establishing an Office of Water to deliver the improvements.

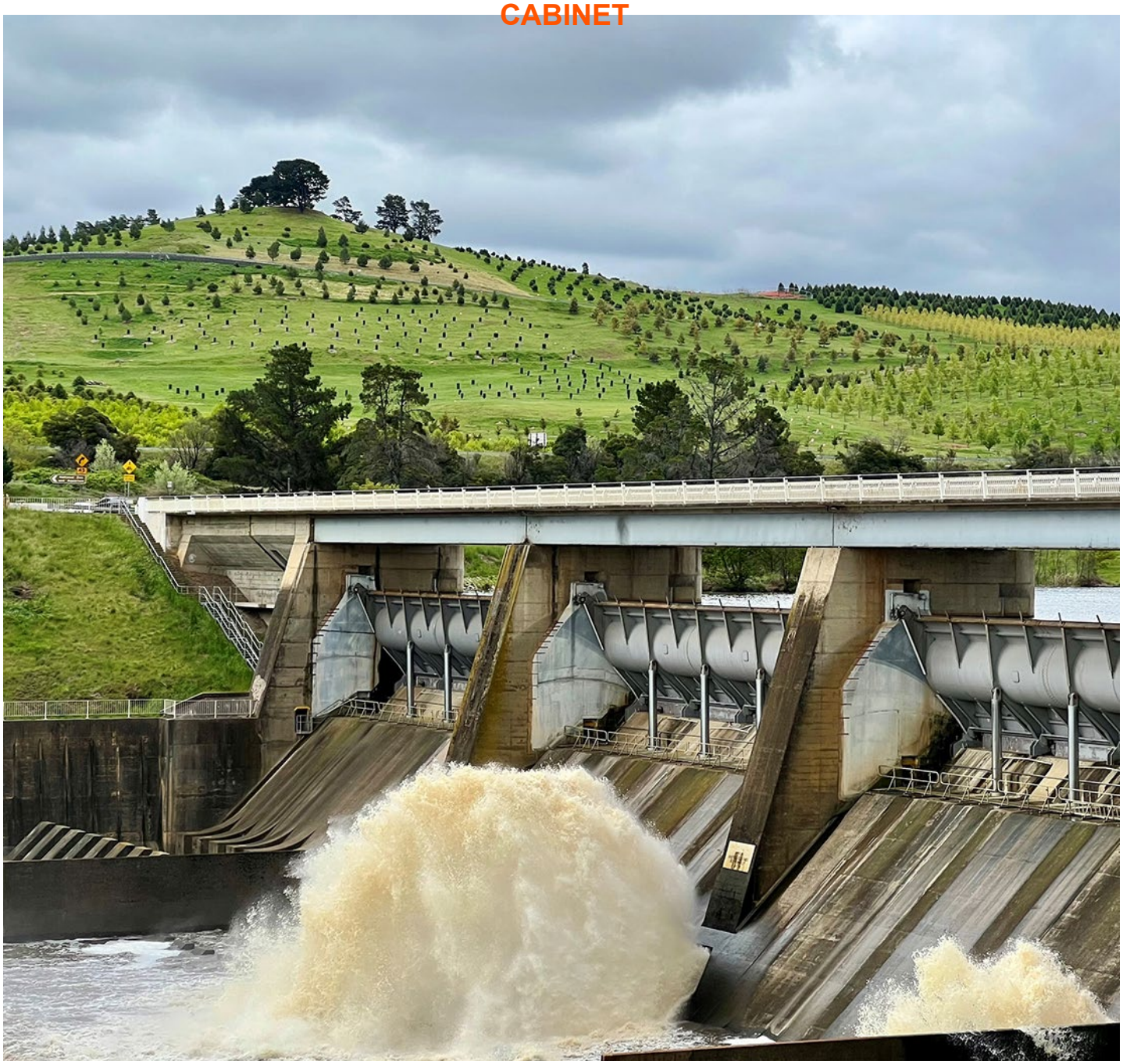
ACT Health and ESA have been consulted on the review and are supportive of the approach.

The Dhawura Ngunnawal Caring for Country Committee have been consulted on the proposed approach and wish to continue regular conversations with EPSDD as the proposal progresses.

Consultation with additional external stakeholders would occur subject to budget and Cabinet approval, including:

- ACT and Region Catchment Management Coordination Group (CMCG);
- Independent Competition and Regulatory Commission;
- National Capital Authority;
- Interested community groups/public.

Public consultation will occur in line with a communications strategy to be developed within the first six months of the Office's operation. Key messages and high-level approach to communications is described further in the business case (section 8 Communications).



ACT Water Governance Review - Stage Two

Final Reform Options and Implementation Guidance

A confidential Final Report prepared for ACT Government Environment, Planning and Sustainable Development Directorate

11 March 2022

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Acknowledgment of Country

Aither acknowledges Aboriginal and Torres Strait Islander people as the First Peoples of Australia and the Traditional Custodians of its lands and waters. We pay respect to the deep connection Aboriginal and Torres Strait Islander people hold with Country and celebrate the continuing effect of cultural knowledge and practices on Country and communities across Australia.

We pay our respect to Elders past and present, whose knowledge and leadership has protected Country and allowed Aboriginal spirituality, culture and kinship to endure through the ages.

We recognise the injustices and hardship faced by Aboriginal communities and reflect on opportunities for all Australians to play a part in reconciliation and the development of mutual understanding and respect across cultures.

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1. Overview

1.1. What is this report about?

This Final Reform Options and Implementation Guidance report is the final project report from the ACT Water Governance Review - Stage Two project.

1.1.1. The Stage Two project identifies a preferred model for the Office of Water and guidance for implementing priority reforms

The ACT Labor and ACT Greens Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly identifies an executive reform "to consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy".

The ACT Government Environment, Planning and Sustainable Development Directorate (EPSDD) is leading the *Review of water governance in the ACT project* (the review), which aims to deliver on this executive reform order through a structured review process and in collaboration with ACT water management agencies. Its objective is to establish improved water governance arrangements for the ACT which are effective for improving the health of Canberra's waterways and instilling public confidence in the Government's approach to water resource management.

Stage One of the review[1] canvassed stakeholder views on strengths and issues with current governance arrangements. Stage Two identifies a preferred model for an Office of Water (OoW), and a recommended package of priority reforms for the OoW to implement. The scope of the project being to:

- confirm the vision for reform
- identify priority governance reforms
- develop, refine, and assess different models for the OoW
- recommend a preferred model for the OoW and governance reform agenda.

The EPSDD engaged Aither to run a structured process to deliver the above objective and scope for Stage Two. An Advisory Group was engaged to provide strategic advice, reflect stakeholder views and support activities on content and technical matters. The Advisory Group met five times over six months and also provided out-of-session input.

This Final Reform Options and Implementation Guidance report presents the final reform agenda and preferred model for the OoW, including an assessment of different models and a high-level implementation plan for the preferred model.

[1] Aither 2021, *ACT water governance review: Scoping paper on current issues and potential improvements.*

1.1.2. How is this report structured?

- **Section 2: A reform agenda for ACT Water governance** outlines the key issues and opportunities for the sector and the specific reform options shortlisted in response.
- **Section 3: A model for implementing reforms** including assessment of different models considered.
- **Section 4: A pathway for implementation** containing high-level guidance on implementation requirements.

The proposed ACT water governance reform package

The proposed ACT water governance reform package comprises a suite of governance reforms designed to: improve coordination; more clearly define roles, responsibilities and accountabilities; and lift the capacity and capability of the ACT water sector. It includes establishment of a new Office of Water (OoW) as well as a number of specific reform activities.

The preferred model for the Office of Water

The preferred model for delivering water governance reforms in the ACT is to establish an OoW that leads the implementation of governance reforms. The preferred model would also have the capacity to assume water policy and planning functions from EPSDD (plus relevant functions from other agencies), as informed by implementation of the governance reform options and alignment with principles of good governance.

Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW and with respective agencies. Exactly which policy and planning functions sit in the OoW is yet to be determined and requires further engagement and consideration of outcomes from other governance reforms.

The OoW would be established to:

- Lead the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms.
- Assume responsibility, where appropriate and consistent with governance reform priorities and principles of good governance, for selected water policy and planning functions and new policy priorities
- Chair the new inter-agency senior-executive forum, if established, to provide advice to the Office to inform policy development and support coordination and facilitation between agencies on cross-cutting issues.
- Undertake monitoring and reporting to government on the implementation of governance reform priorities as well as water plans, policies and strategies.
- Provide the primary point of engagement with ACT community on water sector issues.
- Facilitate information requests by the government and the public.

Reform agenda - foundational, secondary and priority focus area reforms

The priority, foundational reforms to be implemented by the OoW are:

- Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions.
- Establish a process for decision and policy making for cross-cutting water sector issues.
- Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies.
- Improve accountability and transparency for current funding arrangements.
- Review and strengthen information-sharing arrangements between water sector entities.
- Review current arrangements for collecting, managing and sharing water information with the public.

The secondary reforms to be considered by the OoW are:

- End to end regulatory review of core water management legislation
- Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination.
- Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities.
- Build capability and capacity through learning and development.
- Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector).

The following new policy areas were identified to be implemented by the OoW alongside the governance reform:

- Refresh of the ACT Water Strategy 2014-2044: Striking the Balance.
- Develop and implement a Ngunnawal Ngadjung Water Initiative.
- Develop a long-term Integrated Water Management Plan.
- Establish a Water Information Hub.

2. A reform agenda for ACT Water governance

2.1. Problem statement

For the ACT water sector to best serve its customers, community and the environment, it requires robust governance arrangements which help achieve a clearly defined vision and objectives. While this report focuses on areas in which the ACT water sector can improve governance arrangements, several governance related strengths are also identified through this project and the earlier *ACT Water Governance Review Stage 1* report. These strengths provide a good foundation for the governance improvements set out in this section, and include:

- The water sector generally operates in alignment with best practice institutional arrangements, with structural separation of water resource management, regulation and service delivery as called for in the 2004 *Intergovernmental Agreement on a National Water Initiative (NWI)*.
- There are strong and effective working relationships between stakeholders, agencies and staff which helped secure ACT water security and improve water quality in the catchment over the last decade.
- The *ACT Water Strategy 2014-2044* includes the key components of a contemporary rendering of *NWI* consistent water outcomes.

These are considerable strengths and suggest the sector is primed to rise to the challenges at hand and make significant improvements. There is a high degree of interest in this work and a desire from stakeholders to be involved in owning and driving solutions. This should be factored into any next steps and seen as an opportunity to build capacity and capability across the sector through working collectively on addressing issues.

The Stage 2 review identified several cross-cutting governance issues and reform priorities and opportunities to improve performance of the sector. These can be summarised as:

- roles, responsibilities and accountabilities can be better defined
- inter-agency coordination and decision making on shared issues can be improved, and
- capability and capacity in terms of skills, funding and information need building and better alignment.

A short description of the identified governance issues, aligned with each of these categories, is provided in sections 2.1.1 – 2.1.3 below.

Improving governance arrangements will help achieve desired outcomes from water policy and management. It will ensure clear roles and responsibilities, effective relationships, clear direction setting and decision-making, and improved public confidence and accountability. Overall, it will strengthen the sector and improve its capacity to deal with change and service the ACT community and environment into the future.

2.1.1. Roles, responsibilities and accountabilities can be better defined

Water sector roles and responsibilities are poorly defined and/or misunderstood (for example, in relation to progressing policy and responses to regional water security, or regional water service augmentation). There are also examples where current administrative arrangements distribute accountability for outcomes across multiple ministers and agencies (such as for oversight of environmental protection, catchment management, and water quality). This makes it difficult to coordinate strategic or holistic responses to issues due to the number of entities involved. These issues lead to:

- lack of clarity about core outcomes and activities
- duplication and fragmentation of roles and responsibilities
- gaps in roles and responsibilities (not performed)
- difficulty assuring performance and outcomes and managing risks
- poor visibility across outcomes
- ineffective decision-making and coordination
- difficulty implementing strategic responses
- insufficient or misaligned capability and capacity.

2.1.2. Inter-agency coordination and decision making on shared issues can be improved

Inter-agency coordination and decision-making on shared issues is currently not effective to best plan and manage for the ACT's water future. There is no defined approach across the ACT water sector for raising issues, coordinating decision making and responses, or addressing trade-offs when it comes to multi-stakeholder issues and integrated water management. This also extends to inter-jurisdictional decision making. These issues lead to:

- imperfect information / narrow stakeholder perspectives in decision making
- inefficient decision making / lack of consensus
- delayed / stalled progress on implementing key actions in the ACT Water Strategy and other shared issues
- a breakdown in communication to internal and external stakeholders as to how these issues are being considered and resolved.

2.1.3. Capability and capacity need building and better alignment

There are gaps and misalignment in the capability and capacity (in terms of the quantity and quality of human, financial, and information resources) required to implement roles and responsibilities across the sector. This prevents effective delivery of key outcomes and activities within the ACT Water Strategy and cross-cutting initiatives. This is hindered by unclear and fragmented roles, responsibilities and accountabilities. These issues lead to:

- gaps in key skill sets to support policy development and decision making
- reduced ability to attract and retain suitably qualified staff

- lack of sharing of resources and information, and availability of information for decision making
- funding allocation and prioritisation that does not appropriately support desired outcomes
- poor retention of institutional knowledge in the medium to long-term
- duplication of some monitoring and reporting (cost)
- gaps in some monitoring and reporting.

2.2. Solutions to address the issues

A number of options were identified to address the priority overarching governance issues summarised above. A long list of possible solutions were identified by comparing governance issues with the OECD Principles on Water Governance to identify changes required to better align with best practice.

The long list of solutions was then tested with the project Advisory Group during workshop 3. Solutions were presented for each issue area in response to the key breakages that were identified, as set out above (sections 2.1.1 - 2.1.3). Following the workshop obviously unviable options were eliminated. Aither then described the scope of the remaining options in greater detail, including the:

- purpose
- scope of the work
- change required to deliver the option
- indicative resourcing and costs
- timeframe
- interdependencies and sequencies with other options, and
- OECD principles the option would address.

2.3. Assessment

The detailed solution scopes were assessed against criteria to determine which solutions are best suited to address the identified governance issues. The assessment criteria included:

- **Effectiveness:** Is the solution likely to solve the issues (in terms of overarching governance issues and focus areas)?
- **Alignment with principles:** How does the solution align with principles of good water governance?
- **Alignment with desired objectives:** Does the solution contribute to the vision for the ACT water sector?
- **Criticality:** How material is the issue and solution?
- **Costs/ benefits:** What are the likely qualitative costs and benefits?
- **Practicality of implementation:** How practical is the solution to implement (considering required changes)?
- **Level of sector interest/ support**: What is the level of sector interest or support as expressed through the project?

- **Linkages with other options:** Does the option reinforce or support the implementation of other important improvements? Does the option duplicate or undermine other options?

The assessment was informed by review of relevant literature, policy and legislation for the ACT water sector. The assessment was then tested with the Advisory Group to confirm the analysis and the draft reform agenda.

A summary of the assessment of each solution against the above criteria, as discussed with the Advisory Group in workshop 4 is included in Appendix A - . The final priority foundational reforms and secondary reforms selected to be progressed are set out in section 2.4 below.

2.4. Reforms required to improve governance

The assessment of solutions identified several cross-cutting reform priorities and opportunities to improve performance of the sector (Figure 1). The reforms can be categorised into three groups:

- clarifying roles, responsibilities, and accountabilities
- improving coordination and collaboration, and
- addressing capability and capacity gaps.

The reform priorities were further separated into priority foundational reforms and secondary reforms. Priority focus areas, where the sector could achieve significant uplift in policy or outcomes, were also identified. These are described below.

The reforms are proposed to be implemented by an OoW according to the assumptions for each OoW model described in section 3.

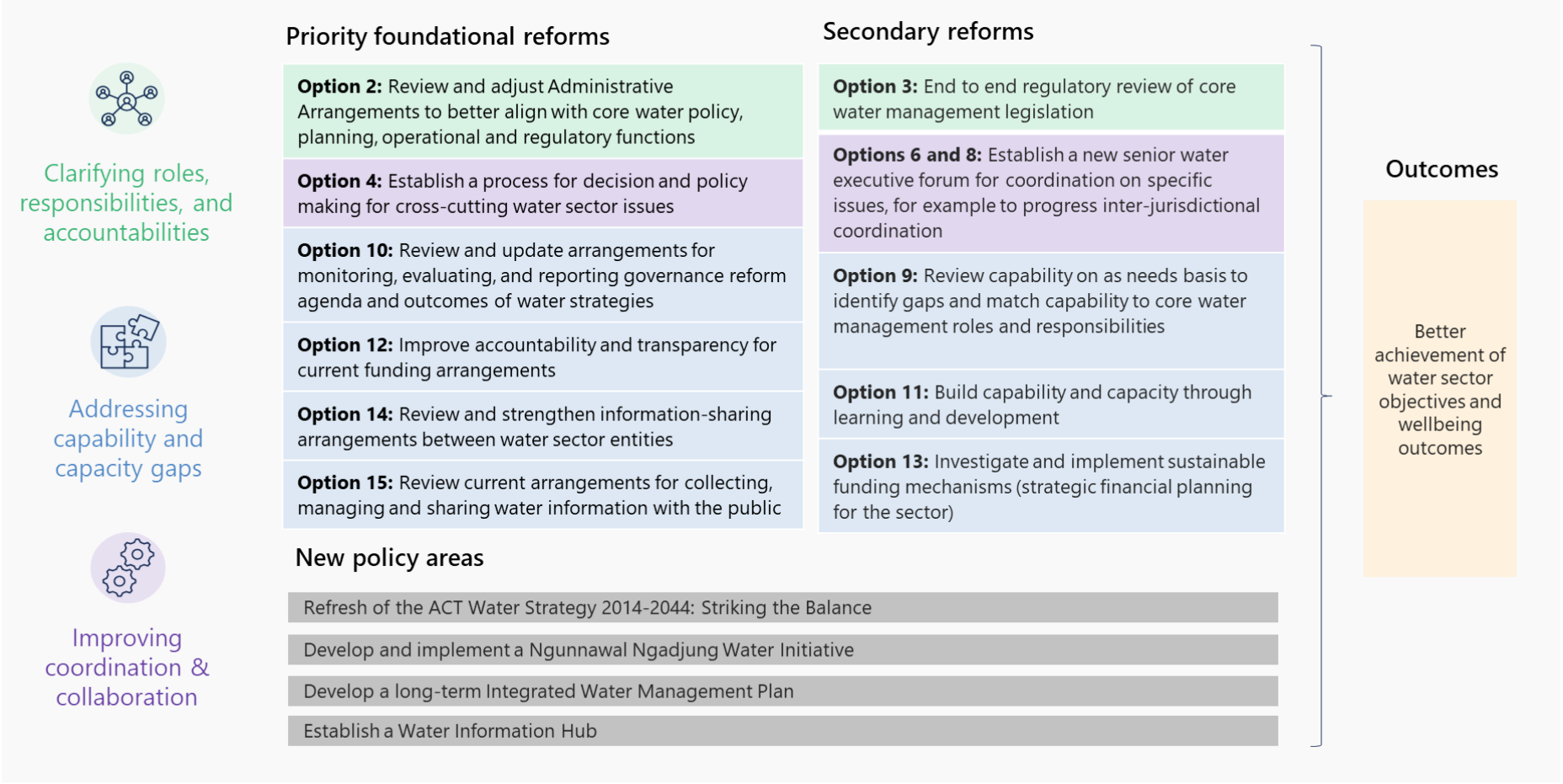


Figure 1 Summary of reform agenda

Priority foundational reforms and secondary reforms selected to be progressed

Appendix A sets out the assessment of potential reform options, as presented to and discussed with the Advisory Group during workshop 4 on 14 December 2021.

The priority foundational reforms and secondary reforms set out in sections 2.4.1 and 2.4.2 below have been selected to be progressed following workshop 4. The selected reforms reflect additional thinking and changes to the wording and scope of some of the original reform options as set out in Appendix A. Material changes to the wording, scope or assessment of the reform options include:

- **Options 6 and 8.** Both options 6 and 8 were assessed as options that could be progressed as secondary reforms following workshop 4. These options have since been combined into a single secondary reform, with an amended role to support the OoW, rather than as the primary coordination mechanism. The need for such a coordination forum would be resolved following implementation of reform option 4. If progressed as a secondary reform, a new senior water executive forum could provide advice on cross-cutting issues and inter-jurisdictional coordination to the OoW, with the OoW taking on the role of coordination, and liaison for inter-jurisdictional matters.
- **Option 15.** Option 15 was escalated from a secondary reform to a priority foundation reform, as it is considered an important first step for the OoW to undertake to align with and support a refresh of the *ACT Water Strategy 2014 - 2044* and to support development of a water information hub

2.4.1. Priority foundational reforms

The priority foundational reforms will provide significant uplift to governance arrangements across the sector by addressing the root causes of key governance issues affecting the sector. The priority foundational reforms are set out in Table 1 below.

Table 1 Priority foundational reforms

Category	Reform option	Description
Roles, responsibilities and accountabilities	**Option 2** Review and adjust Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions	This is a foundational activity to support other governance reforms, including reviewing and matching capability to core water management roles and responsibilities. This involves reviewing current Administrative Arrangements and documentation of roles and functions at the agency level for all agencies with water sector responsibilities, and recommending any structural changes required through adjustments to Administrative Arrangements.

Category	Reform option	Description
Coordination	**Option 4** Establish a process for decision and policy making for cross-cutting water sector issues	This activity includes the OoW establishing an agreed process between relevant water sector entities for progressing and resolving cross-cutting water sector issues, including guidance on when consultation and collaboration between agencies should occur, identifying the lead agency for key issues and thresholds for escalating issues for resolution.
Capacity and capability	**Option 10** Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	This reform streamlines current agency and entity reporting processes, and provides a consolidated monitoring, evaluating and reporting framework to assess the implementation of water plans, policies and strategies.
	Option 12 Improve accountability and transparency for current funding arrangements	The reform supports governance arrangements for the allocation of resources to align with prioritised capacity and capability requirements. This includes mapping existing funding streams and allocations to agencies and establishing a process to monitor and report on funding for water management activities.
	Option 14 Review and strengthen information-sharing arrangements between water sector entities	Access to information is essential for building and retaining corporate knowledge in the longer-term and supporting agency staff to deliver against their roles and responsibilities. A review will identify gaps/blockages in information sharing, and the type, format, and frequency of information required to support implementation of water management activities. Recommendations from this review will identify improvements in processes and procedures for information sharing and inform the scoping of a water information platform. This activity should occur after option 2 (review of administrative arrangements).
	Option 15 Review current arrangements for collecting, managing and sharing water information with the public	This activity is integral to enhancing public trust and promoting accountability in management of the ACT's water resources and is a foundational step for establishing the OoW as the point of contact for the ACT community on water information. The review would inform the scoping of a web-based water information hub (option 16, refer to Appendix A).

2.4.2. Secondary reforms

In addition to the priority foundational reforms, several secondary reforms were identified for the OoW to consider, pending the outcome of the priority reforms (Table 2). The scheduled mid-term review of implementation of the reform options is a natural decision point for determining the ongoing need for secondary reform options, or any additional options identified in the interim.

Table 2 Secondary reforms for the OoW to consider

Category	Reform option	Description
Roles, responsibilities and accountabilities	**Option 3** End to end regulatory review of core water management legislation	Involves a review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance. This review would consider the requirement for legislative amendments This is not a current priority. The Advisory Group agreed that, in general, current water legislation was fit for purpose and that gains could be made in improving the administration and implementation of legislation before a review was required. Legislative review could be undertaken as a standalone activity in 3-5 years' following the implementation of other governance reforms. This could be reconsidered as part of the mid-term review for the OoW.
Coordination	**Options 6 and 8** Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination	The priority reform option 4 provides for the OoW to establish a fit-for-purpose process for improved coordination and decision-making. The nature of any new forum or governance structure will be subject to the priority activity.
Capacity and capability	**Option 9** Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	A full sector capability assessment is not warranted at this point in time. However, the process of delineating roles of responsibilities may lead to the identification of capability gaps.
	Option 11 Build capability and capacity through learning and development	Targeted activities to address gaps can be identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.

Category	Reform option	Description
	Option 13 Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	This activity could follow priority reform option 12 (improved accountability and transparency for current funding arrangements), and explore options to address funding gaps for policies, programs and services. This activity would involve developing an understanding of the short-, medium- and long-term investment needs for the sector, reviewing the funding mechanisms available, optimising the allocation of existing funding, and identifying options/mechanisms for improvements.

2.4.3. Priority focus areas

Implementing the priority governance reforms are expected to lead to significant improvements in the performance of the ACT water sector. The reforms are expected to provide significant uplift in specific policy areas where these governance issues are most prominent and where progress has been affected as a result. Similarly, there are several discrete policy areas where there are notable gaps in the current system. Together these offer the ACT Government an opportunity to demonstrate progress and achievement of tangible water management outcomes by progressing them in tandem with the governance reforms.

The following priority focus areas were identified to be progressed with the governance reform:

- refresh of the ACT Water Strategy 2014-2044: Striking the Balance
- develop and implement a Ngunnawal Ngadjung Water Initiative
- develop a long-term Integrated Water Management Plan
- establish a Water Information Hub.

3. A model for implementing reforms

3.1. Why an Office of Water?

The Stage Two review identified a range of improvements outlined in the reform agenda in the preceding section. Under current arrangements – the status quo – there is a risk that these improvements will not be realised. Therefore, there is a need for dedicated capacity and additional support to help deliver the proposed reform agenda.

Aither was asked to consider how different models for an OoW could be used to further governance reform priorities. The concept, need and potential scope of an OoW was tested with the Advisory Group through identifying the main functions, roles and responsibilities needed to implement reforms for the sector (i.e., what needs to be done to implement the reform agenda). Discrete models with different functions, roles, and responsibilities in supporting the water sector were then developed and tested. In addition, a model where no OoW is established but some lighter touch governance reforms are implemented was also scoped and tested.

The core aims of having an OoW is to help the sector better:

- clarify (or reset) the vision, objectives and goals for the sector
- tackle discrete and more immediate issues and governance reforms (where clearly articulated), such as roles, responsibilities and accountabilities
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach across the sector
- investigate and resolve deeper issues of governance and structure for the sector
- communicate to the public how ACT water resources are managed.

An OoW will also help to elevate water sector issues, bring additional expertise to the sector and help build capacity, and act as an intermediary and coordinator between relevant agencies on cross-cutting issues.

3.2. The preferred model for delivering ACT water governance reforms

The preferred model for delivering water governance reforms is summarised below. Section 3.4 presents a full description and assessment of all models.

The preferred model for delivering ACT water governance reforms is to establish an OoW that leads the implementation of all priority (foundational) governance reforms. This model would also provide the flexibility to assume water policy and planning functions from EPSDD (plus relevant functions from other agencies), as informed by implementation of the governance reform options and alignment with principles of good governance.

Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW and with respective agencies. Exactly which policy and planning functions sit in the OoW is yet to be determined and requires further engagement and consideration of outcomes from other governance reforms.

The OoW would be established to:

- Lead the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms.
- Assume responsibility, where appropriate and consistent with governance reform priorities and principles of good governance, for selected water policy and planning functions and new policy priorities
- Chair the new inter-agency senior-executive forum, if established, to provide advice to the Office to inform policy development and support coordination and facilitation between agencies on cross-cutting issues.
- Undertake monitoring and reporting to government on the implementation of governance reform priorities as well as water plans, policies and strategies.
- Provide the primary point of engagement with ACT community on water sector issues.
- Facilitate information requests by the government and the public.

This model was assessed as providing the most effective and efficient means by which to implement the reform priorities identified in Section 2. It will also help elevate policy priorities and provide a forum for cross-cutting issues and decision-making.

The OoW would be led by a Head if Office and supported by additional staff (approximately 10-15 Full Time Equivalent (FTE)). An initial period of four years for OoW to focus on delivering governance reform priorities is proposed, with a mid-term review in year 3 to consider possible extension beyond this term.

The preferred model (Model 3) is further described in Section 3.3 and assessed along with other models in 3.4.

3.3. Identifying and refining options for the Office of Water

3.3.1. Model identification

Roles and functions

Models for an OoW were identified by looking at the key functions and roles required to implement the reform agenda. This included:

- **Strategy and direction setting**: working with all the players in the water system and with stakeholders to set the vision and strategy for the sector and reforms and changes required to deliver against the ACT Water Strategy.
- **Coordination and facilitating improved collaboration between agencies:** to address cross-cutting issues and reach agreed positions on matters impacting the sector.
- **Coordinating implementation of reforms**: boundary riding various players in the water system and hosting special projects to enable the delivery of governance and other water sector reforms.
- **Implementation of reforms**: responsibility for delivering one or a range of reform initiatives.
- **Undertaking water sector reviews and inquiries:** to improve water sector operation and governance.

- **Performance monitoring against the strategy and reporting**: both of the system and individual players.
- **Engagement:** Providing a single (or key) point of engagement with ACT community on water.

Design principles

The design of models for the OoW are based on the overarching principle of form follows function. That is, the potential mix of functions that each model might perform were identified first, and then design assumptions (enabling environment, resourcing and costs, term, funding, etc.) were developed based on the functions and role identified.

The design and refinement of models also considered whether each model:

- is efficient and avoids any duplication of roles and functions (e.g., on reporting)
- would have the authorising environment to perform its functions effectively
- can be held to account for executing its functions.

A spectrum of models was identified to provide for comparison from generally lighter touch roles and functions (like reporting and assurance) through to more substantive roles in implementation of the reform agenda.

All models aim to include the following traits:

- The internal structure of an OoW is focused on the leadership level, and is preferably compact, flat and nimble.
- The OoW is supported by good access to expertise, this may include an advisory panel or board, or less formal arrangement with relevant sector stakeholders.
- There are defined mechanisms for working with other players in the ACT water system.
- There are defined mechanisms for community engagement.
- The OoW maintains and implements a work program for its duration.
- The OoW operates with transparency and is held accountable for its performance.

3.3.2. Office of Water models for assessment

An initial set of four models for an OoW was developed based on the early views of the Advisory Group and research and inputs from the project team. This list was workshopped with the Advisory Group to inform the refinement of the models and identify a potential 'preferred model'.

Following workshops with the Advisory Group, Aither was requested to consider the ability of some models to assume responsibility for ongoing policy and planning functions for the sector. How this has changed the models since Workshop 4 with the Advisory Group is included below in Table 3. Aither has not analysed what ongoing policy or planning functions might be transferred to an OoW. This could be further tested and agreed through the process of implementing the priority reform items. Nevertheless, there is merit in considering how the OoW might play an enduring role in improved governance for the sector by taking responsibility for some functions - provided this aligns with the reform agenda and principles of good governance.

The four models for assessment are:

1. Model 1 - No OoW but a coordination forum is established to work on governance improvements.

2. Model 2 - OoW provides assurance and plays a coordination role in facilitating governance reforms
3. Model 3 - OoW leads implementation of governance reforms, may assume policy and planning functions
4. Model 4 - OoW leads implementation of governance reforms and assumes wide ranging functions as central water agency.

These models are outlined in Table 3.

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Table 3 Summary of options

	Model 1: No OoW – establish coordination forum	Model 2: OoW – assurance and facilitation	Model 3: OoW – Governance reform lead	Model 4: OoW – central water agency
Refinements since Advisory Group Workshop Four	This model is new.	This model reflects models 1 (assurance) and 2 (facilitation) from the initial models tested with the Advisory Group.	This model builds on the Model 3 (Facilitator and Lead on Governance Reforms) that was tested with the Advisory Group by including an expanded role for the OoW to potentially assume some policy and planning functions.	This model is an expanded version of model 4 that was tested with the Advisory Group. It includes a central water policy agency that would potentially include policy, planning, operational, program delivery and regulatory responsibilities (currently dispersed across multiple agencies).
Role statement	No OoW is established. Existing stakeholders establish a new coordination forum to pursue minor governance improvements (see below).	The OoW enables the implementation of water sector strategy and some minor governance reforms through leading coordination between relevant agencies and monitoring and reporting on progress. The OoW provides assurance to the ACT Government and ACT community on progress in implementing both water governance reforms and addressing cross-cutting water issues. It will act as a point of accountability for the water sector and is intended to build confidence in the Government and the community that the sector is functioning effectively and is delivering on the key outcomes as articulated in the ACT Water Strategy.	The OoW leads the implementation of governance reforms and may assume water policy and planning functions from EPSDD plus limited relevant functions from other agencies, as determined through a roles and responsibilities review (Option 2). Compliance, service delivery, program delivery and regulatory responsibilities remain external to OoW with respective agencies.	The OoW leads the implementation of governance reforms as per Model 3. Water sector operation, program delivery and regulatory responsibilities would be brought into OoW through Machinery of Government changes and legislative amendments
Summary functions	This model assumes there is no OoW or additional capability or capacity across the sector to implement the identified reform agenda. Water sector stakeholders would rely on existing arrangements and mechanisms to deliver improvements. This would be supported by a new coordination forum.	Key functions: • Coordinates reforms with other parties (does not lead implementation) • Facilitates coordination forum with a focus on governance reform agenda • Facilitates community and stakeholder engagement to water reform and ACT Water Strategy • Monitors and reports on implementation of the ACT Water Strategy and of agreed governance reform actions. • OoW may be commissioned by the Minister or sector to provide advice on how to improve implementation.	Key functions: • Leads the implementation of all governance reforms and provides assurance and reporting to Government on the implementation of reforms. • Provides monitoring and reporting to Government on the implementation of water plans, policies and strategies. • First point of engagement with ACT community on water sector issues. • Facilitates information requests by the Government and the public. • Chairs coordination forum, if established, to inform policy development and coordination and facilitation between agencies to address complex and cross-cutting issues. • Pending implementation of priority governance reforms: – Responsible for new policy outcomes delivery – Responsible for delivering any functions assigned to it through the roles and responsibilities review (Option 2) (assumed to	As per key functions for Model 3, plus expanded role (indicatively) covering, programs delivery and regulatory functions. Service delivery to remain with Icon Water and TCCS.

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	Model 1: No OoW – establish coordination forum	Model 2: OoW – assurance and facilitation	Model 3: OoW – Governance reform lead	Model 4: OoW – central water agency
			be policy and planning functions).	
What reform agenda items could be progressed under this option	Minor reforms only: • Option 1: Better specify existing roles and responsibilities (in current administrative arrangements) through agreements and performance measures • Option 6: Establish a new or alternative forum/s to drive interagency coordination • Option 11: Build capability and capacity through learning and development • Option 14: Review and strengthen information sharing arrangements between water sector entities • Option 15: Review current arrangements for collecting, managing and sharing water information to understand what information is collected and the best way to provide it to agencies and the public.	Same as Model 1, but the OoW would take a direct role in establishing the coordination forum and provide overall assurance to the government and ACT community on delivery of the reform agenda.	All priority foundational reforms,	All priority foundational reforms.

3.4. Assessment of models for an Office of Water

3.4.1. Assessment criteria

The models were assessed against the criteria in Table 4 below. The assessment sought to identify which model is best able to deliver the priority governance reform items effectively and efficiently.

Priority foundational reforms include:

- Option 2 - Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions
- Option 4 - Establish a process for decision and policy making for cross-cutting water sector issues
- Option 10 - Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies
- Option 12 - Improve accountability and transparency for current funding arrangements
- Option 14 - Review and strengthen information-sharing arrangements between water sector entities
- Option 15 - Review current arrangements for collecting, managing and sharing water information with the public.

Table 4 Criteria for assessing models

Criteria	Description
Effectiveness	*Does the model support implementation of reform agenda items and help address governance issues?*
Alignment with principles of good water governance	*Does the model align with and further contribute to the principles of good water governance?*
Alignment with outcomes (ACT Water Strategy)	**1. Healthy catchments and waterbodies** *Well-managed, functioning aquatic ecosystems that protect ecological values and contribute to the liveability of the ACT community.* **2. A sustainable water supply used efficiently** *An integrated and efficient water supply system that provides for the optimal mix of supply options, encourages efficient use of water, and is resilient to climate variability, and supports the social, economic and environmental needs of the ACT community.* **3. A community that values and enjoys clean, healthy catchments and waterways** *Work with the ACT community to continue to use water efficiently, and to ensure safe, clean water for recreation and the environment.*

Criteria	Description
Capability and capacity to deliver draft reform agenda	*Does the proposed model provide appropriate capability and capacity to deliver the draft reform agenda and ensure ongoing benefits from improved governance?*
Contribution to Wellbeing Indicators	*Assessment against this criterion has focused on the general contribution to the wellbeing domain of Climate and Environment and associated indicators.* *Better water management (triggered supported by implementation of the reform agenda identified in this report) would have flow on benefits that influence a range of other wellbeing domains – this should be considered when evaluating the implementation of specific reform options.*
Costs	*What are the likely costs and resourcing requirements? How do they compare to other models?*

3.4.2. Model 1 - No Office of Water, establish coordination forum

Assessment result

This is not considered a viable model for implementing the identified governance reform agenda and improving water governance in the ACT. As a result, current issues (identified through this project) are likely to persist and undermine the ACT water sector in delivering on its vision and objectives.

This model, by virtue of establishing a coordination forum, would provide some marginal and incremental improvements in governance over time. However, there is a risk that without additional support or assurance, reform implementation is not prioritised, and the status quo is maintained.

Model 1 description and assumptions

Please refer to Table 3 for description of *role statement* and *functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 1 are outlined in Table 5. Based on these assumptions, the criteria assessment for Model 1 is presented in Table 6.

Table 5 Model 1 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	Relies on the leadership of existing agencies.
Authorising environment requirements	Relies on current arrangements.
Resourcing and cost assumptions	Would require modest resourcing that would be drawn from current capacity.
Funding and phasing requirements	Some minor additional funding to support implementation of reform options is assumed.

Assessment against criteria

Table 6 Model 1 criteria assessment

Criteria	Assessment
Effectiveness	An OoW is not established under this model. Rather, existing stakeholders would establish a new coordination forum and pursue a limited number of lower priority reforms. This may result in some minor improvements to governance of the sector; however, the lack of increased capability and capacity to drive the reforms may limit the effectiveness of these improvements. As priority reforms 2, 4, 10, and 12 (which offer greatest improvement to the underlying governance issues) would not be delivered through this model, it is unlikely to be as effective as other options which better address the root governance issues.
Alignment with principles	This model would support greater alignment with principles of good water governance (through implementation of reform options) but leaves many of the more substantive reform actions that have been identified untouched.
Alignment with outcomes	**OUTCOME 1: Healthy catchments and waterbodies** The model would provide some support for improved coordination and clearer roles and responsibilities but would be unable to help achieve significant structural or funding changes that would improve program delivery for this outcome in this space. For example, it would not involve reviewing and improving funding mechanisms for water management activities and programs as per option 12 and 13 - which would materially improve performance against this outcome. **OUTCOME 2: A sustainable water supply used efficiently** Model would support this outcome at a basic level through incremental improvements to water governance but would not resolve some of the priority reform actions required to achieve this important outcome to the extent it could be. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model does not actively increase or improve community participation or interaction with the water sector. Marginal improvements to outcomes 1 and 2 would flow through to community and support this outcome.

Criteria	Assessment
Capability and capacity to deliver draft reform agenda	This option would only focus on implementing some lower priority reform priorities. Therefore, it would not provide significant an uplift in capacity and capability, as other options which implement the primary reform agenda. Relying on current arrangements and resourcing (which are both sources of governance issues) without significant additional interventions to address the root causes of governance issues would be unlikely to shift the status quo.
Contribution to Wellbeing Indicators	Model would result in limited improvements to the *healthy and resilient natural environment indicators* on water quality and catchment health (see assessment against Water Strategy Outcomes above). It is unlikely to precipitate governance reforms that would create wider cross-sectoral benefits through better water management – for example, noticeable changes in indicators related to connection to nature such as increasing use of high-quality green open space or higher access to waterways.
Costs	This option would only require minimal additional funding but would require current agencies to identify capacity and capability under current resourcing to actively pursue reforms (and this would likely cause strain on already stretched resources). It would require modest resourcing for the coordination forum and to help pursue reform options.

3.4.3. Model 2 - Office of Water – assurance and facilitation

Assessment results

This model is assessed as supporting similar reforms and outcomes as Model 1 but with greater assurance reporting on delivery of the reform agenda. It would not make a substantive contribution to delivery of the full list of reform priorities that have been identified and is therefore not the preferred model (though it is preferable to Model 1). It is likely to support improvements and provide an overall positive impact but does not deliver as much overall value as other models.

Model 2 description and assumptions

Please refer to Table 3 for description of *role statement and functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 2 are outlined in Table 7. Based on these assumptions, the criteria assessment for Model 2 is presented in Table 8.

Table 7 Model 2 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	This option would be led by a Deputy Director-General (or senior executive role) who would be responsible for coordinating governance reforms and chairing the coordination forum. The Deputy Director-General would report to the Minister.
Authorising environment requirements	Unlikely to require major changes (e.g., legislative change or significant reworking of administrative arrangements) besides establishment of the OoW with limited assurance and facilitation responsibilities. Likely to be embedded in existing agency rather than new entity.
Resourcing and cost assumptions	Moderate level of resourcing to support Deputy Director-General function with minimal additional staffing required to support reporting and assurance, in addition to coordination forum establishment and ongoing secretariat functions. Cost and resourcing to deliver reform options would be dispersed across agencies (similar to Model 1). Indicatively, senior lead plus 3-4 staff for managing Coordination Forum, sector and community engagement, and reporting.
Funding and phasing requirements	Two- or three-year funding timeframe and phasing. Timebound and focused on delivering initial rollout of governance reform agenda.

Assessment against criteria

Table 8 Model 2 criteria assessment

Criteria	Description
Effectiveness	This model would provide additional oversight and coordination of implementation for the same subset of governance reforms that Model 1 would implement. As for Model 1, priority reforms 2, 4, 10, and 12 would not be delivered through this model which offer greatest improvement to the underlying governance issues. The OoW providing facilitation and assurance would help drive reforms, but implementation would ultimately rely on the capacity, capability and willingness of other agencies to pursue reforms (and without additional funding or support to do so).
Alignment with principles	This model would support some progress towards the principles of good water governance (through implementation of some lower priority reform options). The model would result in some improvements to coordination and decision-making– which is a key governance issue for the sector – but not to the same degree as other models.

Criteria	Description
Alignment with outcomes	As for Model 1, this model would not provide significant uplift to outcomes as it would not achieve significant improvements to governance to support improved water management outcomes. **OUTCOME 1: Healthy catchments and waterbodies** Model would support improved coordination and roles and responsibilities that would improve efficiency, but unlikely to achieve significant structural or funding changes that would improve program delivery against this outcome. **OUTCOME 2: A sustainable water supply used efficiently** Model would support improved coordination across roles and responsibilities that would contribute to sustainable and efficient water supply; it would help to address key themes of cross-border issues and improving decision-making on cross-cutting issues which are important in achieving this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in the water sector decisions and direction on key issues than Model 1.
Capability and capacity to deliver draft reform agenda	This model would provide marginal improvements to capacity and capability in terms of coordinating and, facilitating effort and reporting on performance, but would not directly increase capability and capacity for implementation for key reform actions – some of which are likely to require additional support.
Contribution to Wellbeing Indicators	See above option.
Costs	There would be moderate costs involved in resourcing this model based on the resourcing assumptions in Table 7. This would be the lowest cost model that includes having an OoW. Similar to Model 1, existing agencies would be required to find the capacity to implement reforms (which creates opportunity costs for implementing their existing functions).

3.4.4. Model 3 - Office of Water leads on governance reforms

Assessment results

This model is assessed as comprehensively supporting the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would be relatively lower cost and administratively simpler to deliver than model 4. The Advisory Group indicated it was the option that would be most likely to garner the support of the sector but noting that some members viewed that the OoW should have a role in coordination of reforms only, not implementation of reforms.

The model could also assume responsibility for policy and planning functions over time.

Model 3 description and assumptions

Please refer to Table 3 for a description of role statement and functions. The assumptions about key attributes and requirements that underpin the assessment of Model 3 are outlined in Table 9. Based on these assumptions, the criteria assessment for Model 3 is presented in Table 10.

Table 9 Model 3 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	This option would be led by a commissioner reporting and accountable to the Minister responsible for progressing and implementing reforms.
Authorising environment requirements	Changes to Administrative Arrangements be required if functions are to be transferred into the OoW from other agencies. Some responsibilities may be transferred through delegation instruments. Establishing the Head of Office as a statutory position through new legislation is not required however may be subject to review. Office would be embedded in existing agency.
Resourcing and cost assumptions	Moderate to high level of resourcing to support functions. Indicatively, the Head of Office role plus 10-15 support staff to established as a taskforce to implement governance reforms and to manage the transferred policy and planning responsibilities. The balance of the magnitude of staff resourcing will depend on the level to which reform agenda actions are delivered in house or externally. For example, technical analysis and consultation for some options could be delivered by external entities working closely with the OoW and stakeholders. In terms of assuming policy and planning responsibilities: • It is assumed that transfer of functions from other divisions (e.g., policy and planning functions moving from EPSDD Water Policy Division to OoW) would be like for like in terms of resourcing and not require 'new funding' to fill positions. • The establishment of new teams and movement of staff would also result in productivity and transaction costs from the disruption. • Any new future policy areas or initiatives would need to be costed and accounted for in addition to this.
Funding and phasing requirements	Funding for four years including for a mid-term review in year three. Second budget bid anticipated after mid-term Review pending assessment of effectiveness of OoW and need for ongoing policy and planning functions to be housed in the OoW.

Assessment against criteria

Table 10 Model 3 criteria assessment

Criteria	Description
Effectiveness	The model is best placed to deliver the preferred package of reform options that address the core governance issues. Depending on the extent to which functions are moved to the OoW as a result of implementing any recommendations from a roles and responsibilities review (option 2) it could also elevate policy and planning priorities which currently reside with other agencies into the OoW – improving the integration and decision-making on cross-cutting issues for the water sector.
Alignment with principles	The model is aligned with these principles itself and it has greatest control over delivering and adapting the reform agenda – which addresses many of the principles.
Alignment with outcomes	**OUTCOME 1: Healthy catchments and waterbodies** This model would contribute substantially to this outcome through the implementation of a number of priority reform options that could help improve roles and responsibilities, funding and other aspects of governance that contribute to delivering healthy catchments and waterbodies. For example, resolving funding models and increasing the sustainability and certainty of funding (even without increasing the overall quantum) would support better long-term investment and delivery of various programs in this space. **OUTCOME 2: A sustainable water supply used efficiently** This model would support delivery of reform options that would increase the effectiveness of decision-making and planning for water supply, which would make an important contribution to this outcome. Specifically, reforms to improve roles and responsibilities, decision-making and handling of cross border issues would support greater achievement of this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in water sector decisions and direction on key issues – coupled with increased capacity to deliver on actions in response.
Capability and capacity to deliver draft reform agenda	OoW staffing will increase overall capability and capacity in the sector. Combining core policy functions within OoW would also help build capability and capacity in the sector.

Criteria	Description
Contribution to Wellbeing Indicators	Model would support improvements to the *healthy and resilient natural environment* indicators on water quality and catchment health and would improve *Connection to nature* through more effective policy, planning, funding and delivery of programs that support these domain indicators. Implementing the priority reforms through this model would also result in wider benefits from improved water resource management and services that would positively influence other well-being domains. This includes domain areas such as health, liveability or education that could be more actively targeted through a more effective and responsive water sector with increased capacity and capability.
Costs	This model would require a moderate to higher amount of additional funding to staff the OoW and implement priority reforms. It is a step change from options 1 and 2 but provides significant additional capability and capacity. There are also likely to be costs associated with structural changes (for example, moving policy functions under the OoW) and other disruptions as staffing budgets and costs are transferred.

3.4.5. Model 4 - Lead on governance reforms and establish central water agency

Assessment results

This model is assessed as comprehensively supporting the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would require more substantive reforms and upfront and ongoing resources, making it relatively less efficient in delivering the reform agenda outlined in this report. However, it is likely that this model would bring additional capacity which may deliver value beyond the governance reforms, for example, improved and consolidated program delivery and coordination within a central water agency.

There are elements of this model that are not consistent with principles of good governance – principally, the blending of policy and regulatory functions in a single organisation.

Model 4 description and assumptions

Please refer to Table 3 for description of *role statement and functions*. The assumptions about key attributes and requirements that underpin the assessment of Model 4 are outlined in Table 11 below. Based on these assumptions, the criteria assessment for Model 4 is presented in Table 12.

Table 11 Model 4 assumptions and requirements

Assumptions and requirements	Description
Leadership model and approach	Head of Office with direct reporting and accountability to the Minister

Assumptions and requirements	Description
Authorising environment requirements	Legislation would be required to establish a new agency, and changes to Administrative Arrangements would be required to transfer functions from other agencies. Would require authorising environment outside of EPSDD (new agency). The model would require legislative changes to transfer appropriate Authority to the new office.
Resourcing and cost assumptions	Would require significant resourcing to operate, including similar or greater additional staff as identified for Model 3 (10-15 FTE) to pursue reform agenda priorities, plus greater transfer of resources from other agencies reflecting transfer of functions. The ongoing cost would be greater. Even if like for like resourcing requirements for the transfer of functions to the new agency are assumed, the complexity and significance of the change would create significant transaction costs and disruptions. Resourcing to support new policy priorities would need to be considered in addition to the above costs.
Funding and phasing requirements	Would be established on an ongoing basis with sustained funding through annual budgets.

Assessment against criteria

Table 12 Model 4 criteria assessment

Criteria	Description
Effectiveness	This model would comprehensively support the identified governance reform priorities (making it more effective and impactful than models 1 and 2). It would require more substantive reforms and therefore greater upfront and ongoing resources, making it relatively less efficient in delivering the reform agenda outlined in this report compared to Model 3. However, this proposed model may bring additional capacity which may deliver value beyond governance reforms.
Alignment with principles	There are elements of this option that are not consistent with principles of good governance – principally, the blending of policy and regulatory functions in single organisation. This would be detrimental to improving governance in the ACT.

Criteria	Description
Alignment with outcomes	This criterion has been assessed as broadly the same for Model 3 and Model 4. The two models may differ in terms of the ongoing impact they would have on outcomes through the ongoing nature and wider responsibilities across the sector of Model 4. This has not been considered in the assessment below. **OUTCOME 1: Healthy catchments and waterbodies** This model would contribute substantially to this outcome through the implementation of a number of priority reform options that could help improve roles and responsibilities, funding and other aspects of governance that contribute delivering healthy catchments and waterbodies. For example, resolving funding models and increasing the sustainability and certainty of funding (even without increasing the overall quantum) would support better long-term investment and delivery of various programs in this space. **OUTCOME 2: A sustainable water supply used efficiently** This model would support delivery of reform options that would increase the effectiveness of decision-making and planning for water supply, which would make an important contribution to this outcome. Specifically, reforms to improve roles and responsibilities, decision-making and handling of cross border issues would support greater achievement of this outcome. **OUTCOME 3: A community that values and enjoys clean, healthy catchments and waterways** Model includes role of community engagement and would provide a better conduit for community input in water sector decisions and direction on key issues – coupled with increased capacity to deliver on actions in response.
Capability and capacity to deliver draft reform agenda	Significant staffing required for a central water agency will increase capability and capacity in the sector. Combining water sector functions within a central water agency will help build capability and capacity in delivering the reform agenda, and the capacity and capability of the sector overall.
Contribution to Wellbeing Indicators	Model would support improvements to the *healthy and resilient natural environment* indicators on water quality and catchment health and would improve *Connection to nature*. Through implementing the priority reforms, it is likely that adopting this model would result in wider benefits from improved water resource management and services that would positively influence other well-being domains.
Costs	This model would be the costliest to implement, due to the increase staffing to facilitate and implement the governance reforms, plus the costs of combining and establishing a central water agency.

Criteria	Description
	This model would also likely take longer to implement as it would necessitate changing legislation and coordination across multiple agencies – delaying the achievement of desired outcomes for the sector.

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Table 13 Summary of assessment

Criterion	Model 1	Model 2	Model 3	Model 4
	No OoW, coordination forum	*OoW provides assurance and facilitator of reforms*	*OoW leads governance reform and may assume policy and planning functions*	*OoW leads governance reforms and is established as central water policy agency*
Effectiveness	Not effective in delivering priority reforms.	Not effective in delivering all priority reforms, but more confidence in achieving some improvement (compared to model 1).	Would effectively deliver on priority governance reforms.	Would effectively deliver on priority governance reforms.
Alignment with principles	Unlikely to materially improve alignment with principles of good governance.	Unlikely to materially improve alignment with principles of good governance.	Reforms implemented would improve sector alignment with principles significantly.	Reforms would lead to improvements, but this would be potentially counteracted by the amalgamation of roles and functions that would benefit from some institutional separation (i.e., does not align with principles of good water governance)
Alignment with outcomes	Minor improvement against Water Strategy outcomes.	Minor improvement against Water Strategy outcomes.	Would make a significant contribution to outcomes.	Would make a significant contribution to outcomes.
Capability and capacity to deliver draft reform agenda	Minimal capacity.	Assurance and facilitation functions increase capacity to deliver (some) reforms.	Has the ability to deliver reforms and would also increase capacity and capability of the sector over time.	Has the ability to deliver reforms and would also increase capacity and capability of the sector over time.
Contribution to Wellbeing Indicators	Minimal improvement	Minimal improvement	Significant improvement in climate and environment domain, with ability to support other domains.	Significant improvement in climate and environment domain, with ability to support other domains.
Costs	Lowest cost	Low-medium cost	Medium-High cost	Highest cost
Result	Worst performing model	Low risk and lower cost model that would have some positive impact	Best performing model based on balancing all criteria.	High-cost model that would be complex to implement, does not align with governance principles but is likely to deliver positive outcomes.

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4. A pathway for implementation

4.1. Overview

This section provides a high-level pathway for improving governance arrangements in the ACT. It includes direction on:

- Steps for establishing the OoW (based on the preferred model identified in Section 3).
- Proposed sequencing and planning activities for the OoW to implement the governance reform items.
- High-level implementation timeframes.

Detailed planning and business case development will be required for the OoW. This section provides high-level information to guide detailed implementation planning. Once established, the OoW will lead the implementation planning and further scoping of reform actions identified in this report. This would include confirming sequencing, undertaking necessary government and public consultation, and cost-benefit appraisal of individual reform options (as required).

Content in this section draws on the detailed reform scopes for each reform option (Appendix B).

4.2. Establishing the Office of Water

This section provides high-level steps for establishing an OoW based on the preferred model identified in Section 3.2. The steps are based on the Australian Public Service Commission's toolkit for establishing taskforces, with adaptations to match the nature of the OoW and its position within the ACT Water sector.

The sections below cover:

1. scope
2. governance
3. strategic plan, work program and delivery
4. engagement
5. staffing and recruitment
6. corporate and administrative requirements
7. monitoring, evaluation and reporting.

These points are ordered from a top-down perspective (from overall scope and governance to more detailed operational requirements) to provide a logical coverage of requirements for establishing the OoW. These steps can occur in parallel; they do not offer a sequential task list for establishing the OoW.

4.2.1. Scope

Current status

The scope of the OoW is set around the implementation of agreed reform options outlined in this paper, plus leading new policy areas. The OoW may also assume policy and planning functions following appropriate review and consultation with the sector.

The key deliverables and timeframes for the OoW are further specified in Sections 4.3 and 4.4.

Further steps required

The scope of work and implementation pathway articulated in this report will need to be reflected in clear terms of reference, charter, Ministerial commissioning letter or similar foundational scope document for the OoW. The scope will be based on the funding allocation and other key decisions from the government on the OoW (following this report). The scope should set clear expectations for the Office and other key stakeholders in the sector.

4.2.2. Governance

Current status

At this stage, there is only a high-level articulation of governance and the authorising environment[2] required for the OoW. These requirements include:

- Strong leadership under a Head of Office, with direct reporting to the Minister.
- A clear authorising environment that has the sector's buy-in and provides appropriate powers and standing to perform the roles and functions required of the Office.

The internal structure and governance of the Office and its relationship to other agencies is yet to be determined. This will depend on the funding and directions from the government on establishing an OoW and will be critical for success.

Further steps required

Steps required:

1. Create an authorising environment that is commensurate with the Office's role and (desired) stature.
2. Confirm and document:
    a. leadership arrangements for the Head of Office, including reporting, decision-making and accountability,
    b. internal Office of Water structure; and,

[2] Public sector organisations require authority to deliver on their functions. This authority comes in different forms and from different sources which make up an 'authorising environment'. There are 'formal' or 'hard' authorities, like those granted through legislation, budget approvals and a range of statutory, financial or administrative delegations. These are necessary, but insufficient on their own, to enable an organisation to be successful. There are also 'Informal' or 'soft' authorities, which are the mission-critical people and organisations that support and authorise the scope of work and manner in which work is undertaken. This can include ministers, central agencies, other departments, portfolio agencies and a wide range of stakeholders (APSC, 2021).

c. relationship to other water sector agencies (including, for example, obligations to engage).

3. Develop a clear position statement for the Head of Office that sets out role, responsibilities, reporting, and accountability (see staffing and recruitment below).

4.2.3. Strategic plan, work program and delivery

Current status

The work program for the OoW will consist of the reform options and new policy functions identified in this report. Section 4.3 provides more detail on how these activities could be sequenced within a work program. This is based on assumptions that the OoW is established as per the preferred model identified in this report. Changes to the nature, funding or other aspects of the OoW would influence its capacity to deliver the program. Some detail for the work program design is left to the OoW to best tackle the required changes.

It is recommended that the OoW develops a clear strategic plan or statement of approach and intent. This would provide a touchstone for the OoW and how they proceed with their work and signal how they will go about their work to the sector.

Further steps required

Following its establishment, the Office should produce its own strategic plan and a detailed work program for the minister's sign-off. Any material divergence to the work program proposed here must be clearly explained and accepted.

- The strategic plan should define success, what 'mission critical' is for the OoW, and how it will go about effecting change at a high level (values and behaviours, roles and functions).
- The detailed work program should, at a minimum, include:
  - confirmed timelines and deliverables,
  - budget, resourcing and allocation of work/ tasks,
  - any requirements for appraisal or assessment (for example, cost-benefit analysis, Regulation Impact Statements)
  - engagement process and approach
  - expected outcomes and contribution to ACT Wellbeing Framework
  - monitoring, evaluation and reporting.

The above points must be considered at the reform option or policy initiative level (rather than the work program overall). A clear timeline should be set for the Office to deliver this.

4.2.4. Engagement

Current status

The role of the OoW is cross-cutting and includes the specific requirement to be the lead interface between the water sector and the public. The reform options also include establishing a coordination forum for policy and decision making for cross-cutting water sector issues.

Further steps required

Further work on the formation of the coordination forum and the approach to engagement with the water sector and the community should occur in parallel to the establishment of the OoW. This will allow relevant government agencies to have input and support clear expectations across the sector.

Steps required include:

1. Coordination forum scoping and terms of reference - the coordination forum will be an essential asset for supporting the OoW's work program and should be progressed in parallel to the Office forming. It would benefit from input from likely members to help set the expectations and terms of reference.
2. Ongoing engagement with relevant sector stakeholders regarding the establishment of the OoW and implementation of the reform agenda.
3. Develop draft community engagement strategy - assuming the function of public engagement will require the OoW to have a clear strategy on community engagement and coordination with other agencies. It would be helpful to further scope how this function will be performed in practice in advance of the OoW forming as it will be a key operational requirement from the outset (including to inform other activities of the OoW).

Once established, the OoW would convene the coordination forum and be responsible for finalising and operationalising the community engagement strategy. Detail on the engagement approach at the reform option level will be addressed via the work program (see section above).

4.2.5. Staffing and recruitment

Current status

The preferred model includes indicative resourcing and staffing requirements for the OoW and guidance on the need for a Head of Office with the capability to lead effectively. Further work is required to flesh out the detail around staffing the OoW and making these staff appointments.

An interim team could begin formally establishing the OoW (see Box 1).

Further steps required

The following steps are required to support the establishment of the Office:

1. Articulate the leadership needs and attributes for the Head of Office and pursue early appointment of the Head of Office to facilitate the establishment of the OoW (also see point 3 below). The Head of Office will require:
    a. extensive water sector expertise ideally across water policy and planning, resource management and governance
    b. exceptional leadership, collaboration and relationship building skills to advance priority reforms with the buy-in of the wider water sector
    c. appropriate standing and authority (real and perceived) with the sector to chair the coordination forum and lead the OoW - this may include a need to consider any candidate's perceived independence and impartiality.

2. Identify and confirm the broader skills, subject matter expertise, attributes and mix of staff required for the Office (including in response to the funding allocation and other characteristics of the OoW yet to be confirmed).
3. Develop position descriptions and commence recruitment. It would be beneficial to focus on filling the Head of Office role and senior positions early (see point 1 above), to:
    a. Confirm the leadership, 'put a face' to the leader of the Office of Water early.
    b. Allow the Head of Office and senior recruits to input to the recruiting process and build complementary capabilities into the Office.
    c. Allow the Head of Office to begin owning the strategic direction and operational set-up of the OoW.

Option for an interim team to establish Office of Water

Given the work required to undertake the steps outlined above and several of the steps outlined against other elements for establishing the OoW, it may be beneficial to provide dedicated interim support for establishing the Office of Water (for example, a sprint team or working group). Ideally, the team would be staffed by people currently within the ACT Water Sector, who might ultimately assume roles in the OoW - supporting capacity and capability building over time.

The priority (assuming budget and Cabinet submission approval) for this team would be to progress appointment of the Head of Office, who would then lead the interim team until the OoW is formally established.

4.2.6. Corporate and administration requirements

Current status

This element of establishing the OoW has not been considered in this report and will depend on key decisions by the ACT Government.

Further steps required

Further steps to be confirmed by the ACT Government, likely requirements include resolving issues such as:

- Development of processes and policies (for example, for onboarding)
- Any centralised support systems and services required by the OoW (for example, human resources, procurement, information technology and information management)
- Location and housing the OoW.

4.2.7. Monitoring, evaluation, and reporting

Current status

Monitoring, evaluation, and reporting (MER) will need to be embedded in OoW operation. MER will be vital in ensuring effective implementation and delivery of desired outcomes for the water sector.

Further steps required

Embed MER for the OoW is likely to involve developing:

- A performance framework for the OoW, in parallel with the Strategic Plan and work program (described in 4.2.3). The Minister should endorse the performance framework and work program.
- The performance framework should:
  - define MER requirements for the OoW in implementing governance reforms, and leading new policy initiatives
  - confirm desired outcomes and indicators for demonstrating performance (and be aligned with the Wellbeing Framework)
  - outline roles and responsibilities for monitoring and reporting activities
  - set expectations regarding annual and continuous reporting.
- An Evaluation Plan for the OoW that includes:
  - The requirement for a mid-term review and full-term review
  - Sets out key evaluations questions and how the evaluation will be conducted (e.g., by an independent third-party).
- An Assurance Work Program to guide the OoW's assurance functions for the ACT water sector.

These MER requirements are separate from the overarching MER function that the OoW may take on for other water plans, policies and strategies. The OoW will be responsible for defining its approach to this.

4.3. Sequencing of implementation activities

As outlined in the section above, the OoW will undertake detailed implementation planning for the reform agenda. A visual representation of the sequencing, dependencies, and potential timing of reform implementation is provided in Figure 2 and further described in Table 14. The sequencing draws on the original solution scopes and assumptions prepared during the project (see Appendix B).

As outlined in Figure 2 below, key establishment activities and planning would occur during Year 0. The roles and responsibilities review (Option 2), the process for decision and policy making for cross-cutting issues (Option 4), ACT Water Strategy Refresh, and development of the Ngunnawal Ngadjung Water Initiative) would all begin in Year 1. Delivery of the remaining foundational reforms, the Integrated Water Management Plan, and the Ngunnawal Ngadjung Water Initiative implementation would start from Year 2. The secondary reforms and the Water Information Hub would begin after Year 3, following the mid-term review of reform implementation. It's important to note that this sequencing and prioritisation is for illustrative purposes, with final decisions on this subject to the Head of Office, once appointed, in consultation with the Minister.

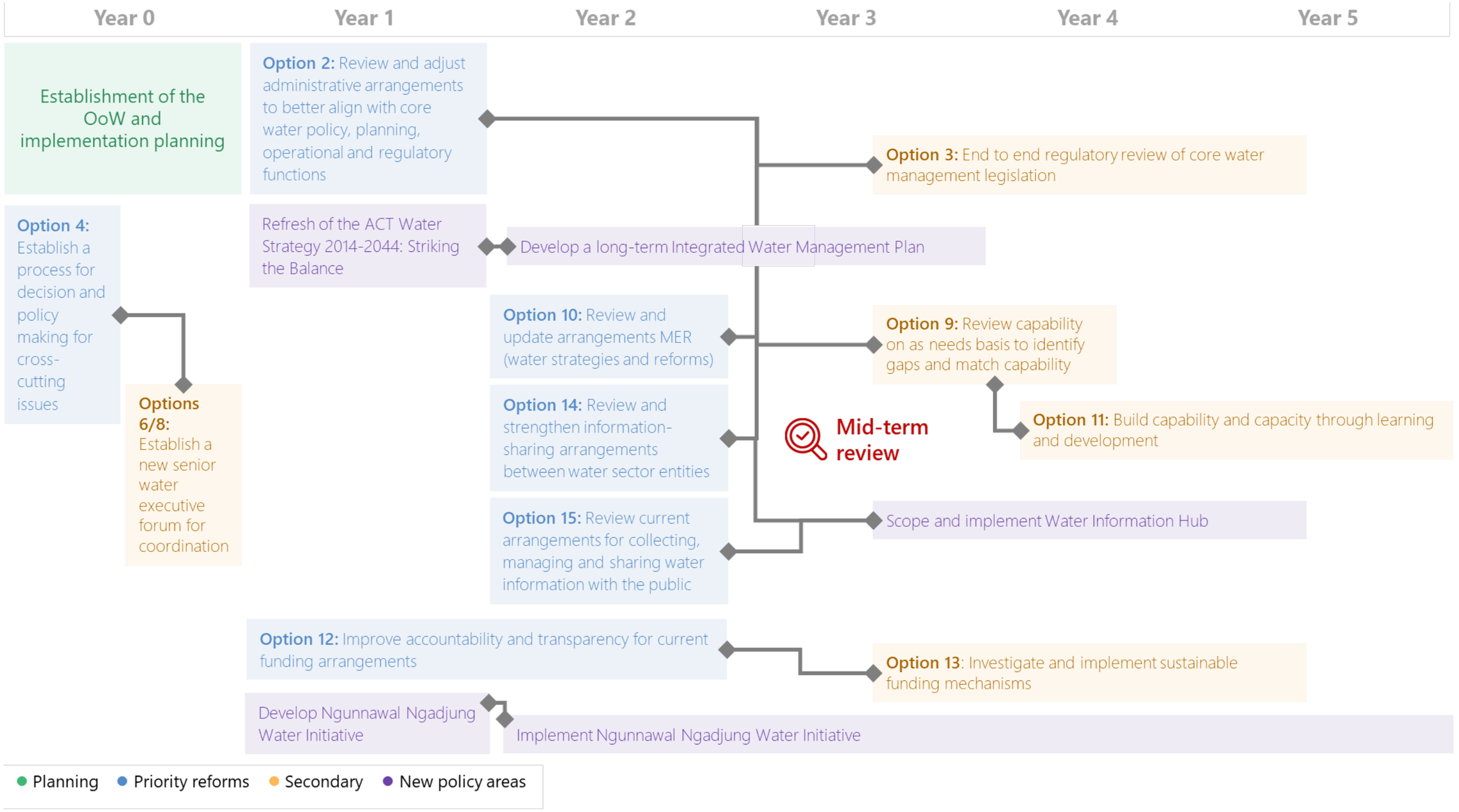


Figure 2 Summary of reform activities and sequencing

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Table 14 Key deliverables and dependencies

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
Establishing the Office of Water					
Scope	Confirm the scope for the OoW in a clear terms of reference	• Budget and Cabinet submission process	Within 2 months	Lead: EPSDD	OoW terms of reference
Governance	Confirm authorising environment, governance arrangements, and position statement for the Head of Office.	• Budget and Cabinet submission process	Within 2 months	Lead: EPSDD	Authorising environment Governance arrangements established Head of Office position statement
Strategic plan, work program and delivery	Produce Strategic Plan Produce a detailed work program for the OoW	• Budget and Cabinet submission process	6 months	Lead: OoW	Strategic Plan Detailed work program
Engagement	Establish the new Coordination Forum Undertake stakeholder mapping Establish an engagement and communications plan to guide interaction with other agencies and the community	• Expectations for engagement should be included in terms of reference • Reform options 4 and 6/8	2 months 6 months 6 - 12 months	Lead: OoW	Coordination Forum established Stakeholder mapping complete Communications strategy in place
Staffing and recruitment	Identify staffing requirements for the OoW Develop position descriptions for key staff Recruitment of Head of Office Establish interim team (if required) Appoint staff to deliver OoW functions as duration dictates	• Budget and Cabinet submission process	Within 2 months Within 2 months 3 months 6 months	Lead: EPSDD, then OoW	Staffing requirements and position descriptions defined Head of Office appointed Interim staffing appointed Ongoing staffing appointed
Corporate administration	Extend required corporate support (HR and onboarding, building access, IT and accommodation, finance and procurement and records and information) from EPSDD	• Budget and Cabinet submission process	Within 3 months	Lead: OoW	Corporate support for OoW established
Monitoring, evaluation and reporting of OoW establishment and implementation	Establish MER framework for OoW and reforms Establish annual assurance program	• Input to Water Strategy Refresh • Input to Option 10 MER • Input to midterm review (Jun 2025) • Input to assurance program	6-12 months	Lead: OoW Support: all water sector agencies	Program evaluation framework in place – links to Wellbeing Impact measures. Annual assurance program established
Implementing primary governance reforms (Dec 2022 - Dec 2025)					
Option 2: Review and adjust administrative arrangements to better align with core water policy, planning, operational and regulatory functions	See solution scope: • Establish terms of reference for review • Conduct review (including consultation) • Cabinet process for recommendations • Implementation of endorsed recommendations	• The foundational task for all reforms • ACT Water Strategy refresh should align with outcomes • Dependent on effective interagency coordination	6 months (review to decision) 3 months (implementation)	Lead: OoW Support: all water sector agencies	Terms of reference established Review completed Cabinet endorsement of recommendations Implementation of recommendations
Option 4: Establish a process for decision and policy making for cross-cutting water sector issues	See solution scope: • Engage with agencies to evaluate current policy and decision-making processes and identify improvements • Develop and document a new process.	• Dependent on roles and responsibilities • Could be done as part of new terms of reference for coordination group (option 5 and 6)	2 months	Lead: OoW Support: all water sector agencies	New inter-agency protocols and procedures for resolving cross-cutting issues are in place

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Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
	• Establish leadership groups and coordination forums, with secretariat support, as required.				
Option 10: Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	See solution scope: • Define objectives and approach/method • Initiate review, including consultation with affected agencies • Implement arrangements.	• Depends on Water Strategy refresh • Depends on roles and responsibilities (Option 2)	Within 1 year	Lead: OoW Support: all water sector agencies	Recommendations report on how to improve monitoring/reporting approach for reforms and Water Strategy
Option 12: Improve accountability and transparency for current funding arrangements	See solution scope: • Define objectives and scope • Conduct process to: – Map current funding streams and allocations to agencies and outcomes. – Define monitoring and reporting requirements. – Implement systems and processes. – Establish governance and a central entity for use of the funding information. • Cabinet process for any proposed changes • Implementation of endorsed changes	• Depends on roles and responsibilities (Option 2) • Input to Option 13	Within 2 years	Lead: OoW Support: all water sector agencies	Funding (including the WAC) is accounted for in annual reporting
Option 14: Review and strengthen information-sharing arrangements between water sector entities	See solution scope: • Define objectives and scope • Review information sharing arrangements between ACT and region water sector entities. • Consult with entities on information sharing gaps, type, format, and frequency required to deliver functions. • Develop and document new information sharing protocols.	• Feeds into water info hub scoping and business case • Complete in parallel to option 10 and 15	Within 1 year	Lead: OoW Support: all water sector agencies	New protocols for information sharing arrangements between agencies/Icon Water is in place
Option 15: Review current arrangements for collecting, managing and sharing water information with the public	See solution scope: • Define objectives and scope • Review current practice and arrangements for managing and sharing information with the public. • Stakeholder consultation to determine information needs of stakeholders and the public. • Develop sector-wide arrangements for how and what information is managed and shared with the public.	• Feeds into water hub scoping and business case • Complete in parallel to option 10 and 14	Within 1 year	Lead: OoW Support: all water sector agencies	Guidelines in place about what will go on the public info hub (info sharing arrangements with the public)
Implementing secondary reforms (Dec 2025 - Dec 2027)					
Option 3: End to end regulatory review of core water management legislation	See solution scope: • Establish terms of reference for review • Conduct review (including consultation)	• Would be completed after option 2, if mid-term review indicates need	Within 2 years	Lead: OoW Support: all water sector agencies	Review completed and recommendations implemented

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
	• Cabinet process for recommendations • Implementation of endorsed recommendations				
Options 6 and 8: Establish a new senior water executive forum for coordination on specific issues, for example, to progress inter-jurisdictional coordination	See solution scope: • Determine purpose and membership of the new forum. • Establish work program. • Clarify expectations for meetings, attendance and authority, tempo, and reporting. • Revise and document Terms of Reference. • Establish a committee structure and a secretariat (could be performed by OoW).	• Subject to the outcomes of Option 4	Within 6-months	Lead: OoW Support: all water sector agencies	New coordination forum established
Option 9: Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	See solution scope: • Define objectives and scope for review • Undertake independent assessment of the ACT water sector's organisational capability to deliver core roles and responsibilities. • Implement required measures to address any identified capability gaps or opportunities.	• Dependent on option 2 • Would only be completed if needed (for example, as raised by midterm review)	Scope and commence within 1 year	Lead: OoW Support: all water sector agencies	Capability review conducted and recommendations implemented
Option 11: Build capability and capacity through learning and development	See solution scope: • Establish and deliver ongoing learning and development programs	• Dependent on option 2 • Dependent on option 9	1-year to 2-years and ongoing.	Lead: OoW Support: all water sector agencies	Learning and development programs in place
Option 13: Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	See solution scope: • Conduct a review of: – current programs, funding and performance and estimate required funding. – public funding mechanisms available to the sector – potential alternative funding arrangements – opportunities to improve skills and capability in developing budgetary and business case submissions. • Implement recommended changes	• Dependent on option 12. Would be completed as raised by midterm review)	Within 2 years	Lead: OoW Support: all water sector agencies	Strategic financial planning for the sector is completed and recommendations implemented
Delivery of new policy areas and asset development					
Refresh of the ACT Water Strategy 2014-2044: Striking the Balance		• Parallel to option 2 (roles and responsibilities review) • Input to options 10, 14 and 15	1 year	Lead: OoW	Refreshed ACT Water Strategy endorsed Annual reporting
Develop a long-term Integrated Water Management Plan		• Dependent on Water Strategy refresh	2 years	Lead: OoW	Integrated Water Management Plan1
Develop Ngunnawal Ngadjung Water Initiative		• Parallel to option 2	1 year	Lead: OoW	Program plan established

Activity	Task description	Dependencies/linkages	Duration	Roles and responsibilities	Milestone (MS)
Implement Ngunnawal Ngadjung Water Initiative		• After development	4 years	Lead: OoW	Program implemented
Scope and implement Water Information Hub (WIH)		• Dependent on options 10, 14 and 15 • Would be completed after mid-term review successful and budget bid	2 years	Lead: OoW	WIH scoped WIH budget submission approved WIH delivered / go live

4.4. High-level implementation schedule

A Gantt chart presenting high-level implementation dates for the reform agenda is in Figure 3. The OoW should update and develop the schedule into a detailed work program that will deliver the reform agenda and new policy initiatives.

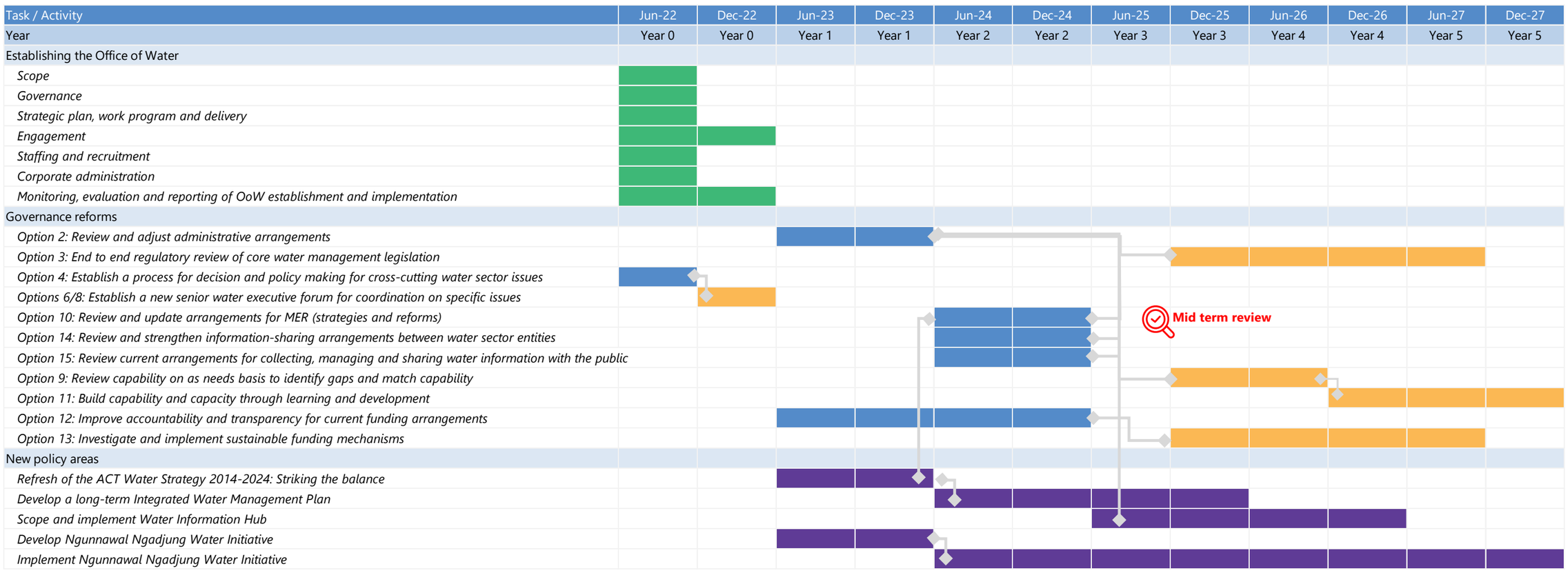


Figure 3 High-level implementation schedule

Appendix A - Assessment of reform options

Table 15 presents a summary of the assessment of each reform option against each of the assessment criteria set out in section 2.3. It also includes an evaluation outcome statement that summarises the overall assessment, based on a consideration of the criteria as a whole and Advisory Group feedback.

The reform options included in the table were presented to and discussed with the Advisory Group in workshop 4. The wording of each reform option reflects the agreed wording and scope of each option following workshop 4. The assessment outcomes included in the table reflect the workshop 4 outcomes, as discussed with the Advisory Group.

Table 15 Summary of assessment of reform options

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
1	Better specify existing roles and responsibilities (in current administrative arrangements) and strengthen accountabilities through agreements and performance measures	**Lower order priority, consider on an as needs basis.** May be of value if other higher-value options (i.e., option 2) are not implemented.	Partial improvements to roles, responsibilities, and accountabilities. Does not address duplicated or fragmented roles, responsibilities or accountabilities.	Improves sector performance to achieve vision and objectives.	Clarifies roles, responsibilities and accountabilities, but would not improve allocation and alignment.	Low costs, however, may not deliver the greatest benefits for the sector.	Straightforward implementation. Requires active participation and implementation by stakeholders.	Option may not go far enough to achieve required outcomes.	Redundant if option 2 or 3 selected. Foundational for achieving other options if options 2 or 3 are not selected.
2	Review and update administrative arrangements to better align with core water policy, planning, operational and regulatory functions	**Confirmed reform priority.** High value to the sector. The most effective response to cases of unclear and duplicative roles and responsibilities and fragmented accountability.	Addresses lack of clarity and duplication of roles. Allows for functional separation of roles and responsibilities and streamlining of accountability.	Improves sector performance to achieve vision and objectives. Strengthens accountability through streamlining.	Addresses the need for clearer roles, responsibilities and accountabilities, and improves coordination and decision making through improved arrangements.	Benefits in efficiency and achievement of outcomes would outweigh implementation costs.	Review requires extensive sector-wide engagement. May result in significant administrative changes.	Conditional support provided appropriate sector-wide engagement in the process.	Foundational for coordination and capability options. Duplicative of options 1 and 3 (contingent on scope).
3	End to end regulatory review of core water management legislation to ensure legislation is fit for purpose, and that roles, responsibilities and accountabilities (administrative arrangements) are aligned with and enabling to the objects of the legislation	**Secondary reform option.** Of value to the sector, however not as straightforward as other options.	Addresses lack of clarity and duplication of roles. Allows for functional separation of roles and responsibilities and streamlining of accountability.	Improves sector performance generally, however unlikely to provide significant uplift alone.	Clarifying roles, responsibilities and accountabilities is high priority. Legislative Review is not seen as critical to improving governance.	High transaction and disruption costs depending on scope of legislative and administrative changes. Benefits realisation through implementation may outweigh costs.	Review requires extensive sector-wide engagement. May result in significant legislative and administrative changes.	Support for changes to administrative arrangements. Legislative changes not seen as necessary at this time.	Foundational for coordination and capability options. Duplicative of options 1 and 2 (contingent on scope).
4	Establish an agreed process for handling cross cutting water sector issues, and escalating to senior decision makers those issues which require trade-offs to be considered	**Confirmed reform priority.** Of value to the sector. Able to be implemented efficiently.	Resolves lack of clarity on processes to progress and resolve water sector issues. Requires buy-in from relevant agencies, clear roles and responsibilities and effective interagency coordination.	With clear roles, responsibilities, accountability and effective coordination mechanisms between agencies, it would likely result in an uplift in achievement of outcomes.	Urgent, given current impasse on some cross cutting issues.	Benefits from progress on lagging policy gaps and areas is likely to outweigh implementation costs.	No major changes required but needs resourcing and strong support to be effective.	There is Advisory Group support for this option.	Depends on clear roles and responsibilities (options 1, 2, 3) Complementary to options 5 – 8.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
5	Reinvigorate the Directors' General Water Group (DGWG) or Senior Executive Water Group (SEWG) to support improved interagency coordination on water management	**Not to be progressed.** Option would improve interagency coordination; however other options are more likely to be effective in the longer-term. Can be implemented if issues emerge in the future.	Positive step towards improved coordination, however, may be hindered by lack of visibility and stagnation that resulted in meetings ending in 2018/19.	Together with clear roles, responsibilities and accountability, improving coordination between agencies would lead to uplift in achievement of outcomes.	Improving coordination between agencies is urgent and critical for water management in the ACT but this option might not address this issue.	Moderate costs. Desired benefits may not be realised.	Straightforward implementation.	There is Advisory Group support for a coordination forum if required in the future, however trepidation about reinvigorating these groups due to legacy issues.	Depends on clear roles and responsibilities (options 1, 2 3). Complementary to option 4. Likely to be mutually exclusive to 5.
6	Establish a new or alternative forum/s to drive inter-agency coordination	**Secondary reform option.** Of value to the sector, but not as high a priority compared to other governance issues. Could be progressed in the future.	Similar to option 5 but avoids potential legacy issues. Membership will need to be carefully considered to ensure representatives have both technical knowledge and appropriate delegation for decision making.	Together with clear roles, responsibilities and accountabilities, improving coordination between agencies would lead to uplift in achievement of outcomes.	Improving coordination is urgent as it is currently impeding the discussion and resolution of key items that will help the sector achieve desired outcomes.	Benefits of improved coordination likely outweigh implementation costs.	Similar to option 5 and could draw on existing structures to inform redesign.	There is Advisory Group support for a coordination forum if it is required in the future.	Depends on clear roles and responsibilities (options 1, 2 3). Complementary to option 4. Likely to be mutually exclusive to 5
7	Revise the remit of the ACT and region Catchment Management Coordination Group (CMCG) to provide a forum for progressing inter-jurisdictional coordination	**Not to be progressed.** This option would potentially deliver value to the sector but is not considered a priority relative to other options.	Interagency coordination and decision making require more urgent attention. The CMCG is not well suited to deal with broader regional and cross-boundary water management issues outside of its legislated remit.	As the CMCG is a catchment management group, the option would only be expected to address related outcomes.	Interjurisdictional level coordination is important but not considered as critical as other priorities for the sector.	Moderate costs (including legislative changes) but potential for benefits over time through improved regional decision making.	Requires legislative amendments and funding to support secretariat and work program delivery. May result in additional expenses if membership expanded.	While the CMCG has many major players for regional decision making it is not the right forum for ACT Government decision making.	Depends on clear roles and responsibilities (options 1, 2 3) Likely to be mutually exclusive to option 8.
8	Establish a new mechanism - with support from both ACT and NSW governments - to develop a clear work plan to progress inter-jurisdictional water management issues	**Secondary reform option.** Of value to the sector, but not as high a priority compared to other governance issues. Could be progressed in the future.	A new interagency forum could improve interjurisdictional coordination for water management issues but would need to be carefully considered so as to not duplicate (and hence diminish) existing forums.	Improved inter-jurisdictional coordination could support achievement of water strategy outcomes by enabling effective responses to shared cross border issues.	Interjurisdictional level coordination is important but not considered as critical as other priorities for the sector.	Moderate costs but potential for benefits over time through improved regional decision making.	Requires upfront resourcing to establish the new forum, and ongoing resourcing to support secretariat functions and progress the work program.	There is Advisory Group support for a coordination forum if it is required in the future.	Depends on clear roles and responsibilities (options 1, 2 3) Likely to be mutually exclusive to option 7.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
9	Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	**Secondary reform option.** A potentially valuable option, but it is a significant and disruptive exercise. Not a priority until other options are implemented.	Partially. May have limited effectiveness if not coupled with improved governance, roles and responsibilities.	If implemented well, the option would be a strong enabler of achieving the strategy outcomes, however, the potential for disruption could set achieving strategy and outcomes back.	Aside from well-known capability gaps this option is not critical. Other capability options, clarifying roles, responsibilities and coordination would make a greater contribution.	High costs. Unclear whether they would outweigh benefits.	Other options would be more practical to implement and at lower cost.	Capability generally identified as an issue. Support for sector wide review and response once appropriate overarching governance mechanisms are in place.	Should be completed after option 1. So as to not to duplicate scope of Review in option 2, this could be a complementary action once roles are clarified
10	Review and update arrangements for monitoring, evaluating, and reporting of the governance reform agenda and outcomes of water strategies	**Confirmed reform priority.** Important foundational activity for supporting performance of the OoW and the sector.	Assists in driving accountability, however, this would not be fully effective without appropriate oversight and performance incentives.	Provides greater accountability for achieving outcomes.	Monitoring, evaluation and reporting of the governance reform agenda will support the implementation and effectiveness of other options outlined in this report.	The review could be completed at relatively low cost. The likely benefits in terms of accountability would outweigh any additional administrative costs.	Simple to implement, however, requires adequate resourcing and attention to be useful.	Broad support for streamlining reporting arrangements.	Depends on clear roles and responsibilities (options 1, 2, 3). Information sharing arrangements (options 14, 15, 16).
11	Build capability and capacity through learning and development	**Secondary reform option.** Low cost, practical and complimentary to other options. However, there are more critical governance issues that need to be resolved first.	Can be used to target specific capability gaps, but unlikely to be effective alone. Only effective to the extent it is well targeted to specific or core gaps and supported by agencies.	Helpful to deliver specific outcomes and actions within the ACT Water Strategy but would need to be targeted to priority areas to do so.	Not critical compared to other options.	The relative costs are likely to be lower than the benefits of improved learning and development in targeted areas.	Does not require significant administrative, legislation, resourcing changes.	There is Advisory Group support for this, however it is not seen as fundamental for an OoW.	Understanding of capability gaps (i.e., identified via option 4, or parts of options 2 and 3)
12	Improve accountability and transparency for current funding arrangements and demonstrate the contribution of funds to the ACT wellbeing assessment framework	**Confirmed reform priority.** This option is critical for making improved decisions about the allocation of financial resources.	Tracking the use of financial resources against objectives is critical for funding allocation and prioritisation decisions. It contributes to a better understanding of resource use and funding gaps.	Adds to improved accountability. Contributes to achievement of outcomes through resulting clarity of funding required to achieve outcomes.	This is a critical activity, as without comprehensive understanding of how funding is allocated and spent, it is difficult to understand the relative gaps.	Benefits of increased accountability and transparency would outweigh initial and ongoing implementation costs.	Would result in changes to monitoring and reporting arrangements, and possibly financial systems.	Likely in-principle support, provided no additional regulatory burden is created and information is useful and used.	Foundational for option 13. Requires clarity of roles and responsibilities (options 1, 2 and 3).

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Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
13	Investigate and implement sustainable funding mechanisms.	**Secondary reform option.** Unsustainable funding constrains the achievement of water sector outcomes, however, there are limited options to increase funding in a competitive environment. This would help identify appropriate funding mechanisms to address this issue.	Increasing funding efficiency will address capability and capacity issues. However, competition for funding means that it is unlikely to provide significant uplift, without improvements to roles, responsibilities and coordination.	Contributes to achievement of outcomes through better use and alignment of funding to achieve desired outcomes.	This is a critical issue in some parts of the sector that are under-funded and under-investing in achieving desired outcomes.	Potentially significantly costs. Any potential mechanisms should clearly demonstrate value for money.	Practicality of options is dependent on preferred approach for funding.	Lack of available funding is acknowledged as an inhibitor to capability and capacity.	Builds on option 12. Dependent on clear roles and responsibilities (options 1, 2, 3).
14	Review and strengthen information sharing arrangements between water sector entities	**Confirmed reform priority.** Low cost and foundational for improving information sharing and supporting improved capability cross the sector.	Supports improved information sharing and builds sector capability. Will not solve issues relating to inefficiency or duplication alone.	Supports information sharing which is a capability enabler for achieving outcomes.	Less critical than establishing clear roles and responsibilities but is considered a foundational activity.	Low cost. Benefits likely to exceed the costs of strengthening data sharing arrangements.	Would not require any significant changes.	There is Advisory Group support for this option.	Dependent on clear roles and responsibilities (options 1, 2, 3) Enabling for options 15 and 16.
15	Review current arrangements for collecting, managing and sharing water information to understand what information is collected and the best way to provide it to agencies and the public.	**Secondary reform option.** Of value to the sector to understand information gaps and enable future information sharing functions.	Addresses the lack of publicly available and transparent information on water management. Contributes to management of organisational knowledge.	Aligned with the ACT Water Strategy in supporting improved public knowledge of ACT water management and promoting understanding and enhanced involvement.	There are other more critical actions.	Benefits from improved transparency and awareness of water management in the ACT would likely outweigh the costs.	Straightforward in principle, however, requires ongoing resourcing to ensure information is accessible, up to date, and useful.	There is Advisory Group support for this option, it is seen as an ideal function for the OoW.	Clear roles and responsibilities (options 1, 2 or 3) Depends on Option 14. Could be done in parallel with option 16.

Option	Description	Assessment outcome	Effectiveness	Alignment with outcomes	Criticality	Costs / Benefits	Practicality	Level of support	Linkages with other options
16	Develop a harmonised and integrated water information system for sharing water information between agencies and with the public	**Lower order priority, consider on an as needs basis.** Of value to the sector. It could be implemented once more urgent foundational options are taken forward and preliminary work on options 14 and 15 are completed).	Option would improve transparency, reduce duplication, improve consistency, and make water information more accessible for decision making. This would also contribute to improved efficiency.	The option is aligned with the ACT Water Strategy as it enables more efficient / effective achievement of outcomes.	Not urgent.	High initial and ongoing implementation costs. Benefits from improved transparency, reduced reporting duplication and improved accessibility for decision makers.	Requires changes to monitoring and information systems, funding, and stakeholder engagement.	Strong Advisory Group support for this option due to benefits from improved accessibility to information and reduced duplication of reporting.	Depends on clear roles and responsibilities (options 1, 2 3) Should align with option 10.

Appendix B - Governance reform scopes

Appendix B presents the governance reform scopes as set out in Table 1, Table 2 and Table 14. The solution scopes were presented to and discussed with the Advisory Group in workshop 4.

Option 2: Review and update administrative arrangements to better align with core water policy, planning, operational and regulatory functions

Purpose

To clarify and set more effective roles, responsibilities, and accountabilities for key water sector functions by reviewing and adjusting administrative arrangements and establishing clearer assignment of roles and functions between agencies.

Scope of work

This scope of work would cover the following steps:

- Review of current administrative arrangements and documentation of current roles and functions at the agency level for all agencies with water-sector responsibilities, with the following terms of reference:
  - set clearly allocated and distinguished roles, responsibilities and accountability for core water policy and direction setting, planning, service delivery and regulatory functions across the ACT water sector. This would include achieving greater structural separation where relevant (consistent with NWI 2004 and COAG 1994).
  - recommend any required structural changes or adjustments in response to proposed revised administrative arrangements
  - clarify Ministerial portfolios and agency accountability, authority and decision-making, and how these align with the legislative framework
  - identify any key capability or capacity gaps that would need to be addressed if recommended improvements to administrative arrangements were adopted.
- Cabinet considers review recommendations and endorses (at its discretion) revised administrative arrangements and supporting actions.
- Sector works to realign under clearer and more tailored administrative arrangements that support a functional separation of roles, responsibilities and accountability across relevant agencies.

This scope of work could be assisted by an interagency coordination forum and would benefit from a neutral lead reviewer that can engage with all relevant agencies.

Change required to deliver option

This option would propose changes to administrative arrangements and would therefore require engagement with relevant Ministers, portfolios and a Cabinet decision making process. It does not include scope for legislative amendments; however, the process may uncover the scope of or value in undertaking a more holistic review of the legislative framework for the water sector in the future.

Indicative resourcing and costs

This is a medium cost solution that would require resourcing to lead the review, time from relevant agencies to provide input, as well as input and support at the Ministerial level. It may also require resourcing for external specialist advice. It will therefore require a reasonable level of resourcing, as well as reasonable timeframes to deliver (as getting inputs, decisions and sign-off will take time).

Interdependencies and sequencing with other options

This is option duplicates part of the scope of Option 1 but could theoretically be undertaken in addition to Option 1. It would benefit from being delivered ahead of other options as it will have significant flow on effects to other governance improvements.

Timeframe

The review and decision-making process should occur within 6 months. Implementation should occur within 3 months.

Option 3: End to end regulatory review of core water management legislation

Purpose

To understand whether current legislation and practice are achieving their purpose or achieving them in the most effective manner and recommend improvements that support effective governance arrangements for the sector.

Scope of work

This scope of work involves a review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance. This review would consider the requirement for legislative amendments. The terms of reference would consider the how the relevant statutes, delegated legislation and practice support effective governance.

The review could be undertaken following the implementation of the roles and responsibilities review (option 2). The need for the review would be reconsidered as part of the mid-term review for the OoW.

Change required to deliver option

This option would include similar changes as option 2. However, given the potential for legislative amendments to be made, the standard ACT legislative process would also apply.

Indicative resourcing and costs

This is a medium cost solution that would require resourcing to lead review, time from relevant agencies to provide input, as well as input and support at the Ministerial level. It would also require specialist legal and regulatory advice. Resourcing would be higher than option 2.

Interdependencies and sequencing with other options

This is option duplicates part of the scope of options 1 and 2. The legislative review component could also be undertaken as a standalone initiative in 3-5 years' time once other governance reforms have

been implemented, or if there is evidence that the system is still not working and requires holistic consideration of the legislative framework.

Timeframe

Within 2 years.

Option 4: Establish an agreed process for handling cross cutting water sector issues and escalating and considering trade-offs

Purpose

To establish an agreed process between relevant water sector entities for progressing and resolving water sector issues.

Scope of work

This scope of work would cover the following steps:

- Identify and agree criteria for how agencies should work together to progress and resolve policy and decision making, include complex cross-cutting issues. These criteria could be based on the degree of shared responsibility and risk, and the resultant requirements for increasing collaboration between agencies. For example, the criteria could specify at what point in a policy or decision-making process an agency should:
  - Inform other agencies of decisions and policy that has been made. This could be when decisions or policy are within the remit of a single agency.
  - Consult with other agencies on decision and policy making. This could occur where decisions or policy are within the remit of a single agency, but will have a minor effect on other agencies, or where the input from other agencies may influence the decisions or policy.
  - Collaborate with other agencies on decision and policy making. Collaboration could be needed on issues where joint decisions need to be made, or where the outcome of a decision would create risks for or have a material effect on the work of another agency, or where an issue requires shared responsibility in the future.
- The above criteria should also specify a structure of how coordinating groups and senior executive forums work together to progress and escalate issues. For example, a senior executive forum could be the main group for progressing issues that require collaboration, with the option to escalate issues that cannot be resolved through this forum to Directors-General, and ultimately to Cabinet.
- Identify and agree which water sector issues and work programs align with each of the above criteria.
- Develop documentation of the agreed criteria and process, and the aligned water sector issues and work programs. This should include practical protocol documentation that can be used to support leadership groups and coordination forums understand their roles and responsibilities in relation to this process. Protocol documentation could also be included in the Terms of Reference for all relevant leadership groups or coordination forums.
- The process should be periodically reviewed to ensure that it functions as intended. This could occur after it has been used for the first few times, or on a set time-step (e.g., annually or biennially).

Change required to deliver option

This option would require the development of a cross-agency process for progressing and resolving policy and decision making, the development of documentation to support this process, and ongoing implementation of the process via leadership groups and interagency coordination forums.

When implementing this option, it will be critical that any associated leadership groups or coordination forums have well-functioning secretariat support, as the process developed through this option will need to be implemented in part through secretariat support (i.e., gatekeeping whether issues are relevant for each group as per the agreed process and ensuring decisions from groups and forums are communicated back to relevant staff).

It will be critical when escalating issues via leadership groups and coordination forums that all decision makers are well informed and briefed. Where desirable, joint technical briefings should be given to all group members to ensure all decision makers have a similar understanding of the issues they are being asked to resolve. Similarly, meetings should be designed for decisions to be collectively resolved.

Indicative resourcing and costs

Implementation of this option is seen as medium cost, as it would require meetings and support to develop, agree and document the inter-agency process. In the longer-term it will also need to be reviewed to ensure it is functioning as intended.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities first being established across all areas of the water sector. Implementation of this option is complementary to options 6/8 and could occur before or in parallel.

Timeframe

Within six months.

Options 6 and 8: Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination

Purpose

To establish a forum, with membership from all relevant water entities, and representatives with appropriate technical knowledge and authority to coordinate sustainable and integrated management of water resources in the ACT and region.

Scope of work

This scope of work would cover the following steps:

- Identify key cross-agency and cross-sector issues to be progressed through the selected group
- Determine membership of the new forum, that includes members from all relevant water entities, and define member roles and responsibilities. This should include representatives from all ACT Government directorates and teams with responsibilities for water policy, planning and management, including Icon Water. It could include representatives or observers from the National

Capital Authority, the Independent Competition and Regulatory Commission and key stakeholder groups, where appropriate.

- Set out a work program to progress the identified issues over time
- clarify expectations for:
  - meetings, attendance and authority, so that agency representatives (or delegates) have appropriate context and authority to make decisions
  - meeting tempo and schedule so that issues can be progressed with appropriate input at key decision points
  - reporting and minutes
  - review of the group's effectiveness, so that it remains fit for purpose over time.
- Document Terms of Reference for the forum
- Establish a secretariat to support the work of the forum, coordinate and prepare papers, record minutes and coordinate the forum work program.

Depending on the preferred model for an OoW, the Chair and secretariat could be performed by the OoW.

Change required to deliver option

A new committee structure and secretariat function to support the committee would need to be developed to implement this option.

Indicative resourcing and costs

Secretariat functions, including meeting organisation, coordination of papers and information sharing, and record keeping for the group should be appropriately resourced. If there is not the necessary expertise within the proponent agency, then relevant agencies could nominate staff with relevant expertise to work in secretariat (on secondment or permanently transferred). If these functions are not already in place and resourced on an ongoing basis, selection of this option may result in moderate additional costs.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector. It is complementary to and should occur in parallel, or immediately following Option 4.

Timeframe

Within six months.

Option 9: Review capability to identify gaps and match capability to core water management roles and responsibilities

Purpose

To further identify the level of capability (i.e.: the *quality* of resources, human and otherwise) required to implement water resources management in the ACT and address any gaps by matching appropriate

resources with those roles and responsibilities. This would respond to reported capability issues for core water management roles and responsibilities that lead to sub-optimal outcomes.

Scope of work

This scope of work would cover the following steps:

- Undertake an independent assessment of the ACT water sector's organisational capability (including skills, leadership, culture, systems and processes) to deliver core roles and responsibilities. The review would identify capability gaps and actions required to achieve desired performance in the following priority areas:
  - hydrologic modelling (quality and quantity)
  - water resource planning
  - flood risk management (for integrated land use planning, development control, land management)
  - water sensitive urban design (for assessing application designs and policy improvement)
  - monitoring, evaluation and reporting
  - Aboriginal (Ngunnawal) knowledge.
- Implement required measures to address any identified capability gaps or opportunities. This could include filling or uplifting human resources (skills), or changes to structures, systems, processes, or cultural settings that enable capability to be directed towards achieving organisational objectives.

Change required to deliver option

Implementing this option would include an independent sector-wide organisational capability review. This option would be undertaken separate to any administrative changes and would not require legislative change. Addressing any recommendations from the review would require an organisational change process to implement recommendations, for example creating additional roles or transfer of existing capability to match requirements, or changes, to structures, processes, systems or culture.

Indicative resourcing and costs

Costs associated with independent organisational review and implementing any changes (i.e., funding new roles, changes to systems, processes and associated change management).

Interdependencies and sequencing with other options

Capability review requires clarity of roles and responsibilities, so should be completed after any changes to administrative arrangements resulting from option 2.

This option duplicates the capability review part of the scope of options 2. If the full scope of option 2 was completed, it could be completed with a view to immediate uplift in the areas already identified above. In that case, this review would only be necessary as a potential longer-term option if extensive capability gaps persist.

The success of capability review would depend on the availability of organisational performance information and data. If this is not available, sequencing could be delayed until a program to collect this performance data is in force. In this case, a targeted review of the identified areas (and any others) could still be done in the short term to fill any immediate gaps.

Timeframe

Scope and commence within 1 year.

Option 10: Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies

Purpose

This reform streamlines current agency and entity reporting processes, and provides a consolidated monitoring, evaluating and reporting framework to assess the implementation of water plans, policies and strategies.

Scope of work

This scope of work would cover the following steps:

- Define a terms of reference, including:
  - the purpose of the review, being to improve coverage of agency performance data by:
    - identifying monitoring, evaluation and reporting requirements for understanding performance of agencies
    - identify gaps and opportunities for consolidating and streamlining
    - establish a consolidated MER framework for measuring agency performance.
  - the scope (roles, responsibilities and activities)
  - the agencies to be included in the review, based on final allocation of roles and responsibilities
  - outputs and timing.
- Initiate the review with the final terms of reference
- Implement the integrated framework.

Change required to deliver option

The option could be delivered by an internal government team, or independent external entity. Implementing the outputs of this option would result in changes to monitoring, evaluation and reporting requirements, including streamlining or additional requirements where there are information deficits.

Indicative resourcing and costs

Resourcing would be required for initial review and framework development. Ongoing costs would include for monitoring, evaluation and reporting against framework.

Interdependencies and sequencing with other options

The option has interdependencies with:

- Roles and responsibilities for core water management functions as clarified or updated through option.

- Refresh of the ACT Water Strategy and Implementation Plan, which would assign actions that agencies are responsible for.

Timeframe

Within 1 year.

Option 11: Build capability through learning and development

Purpose

Targeted activities to address gaps can be identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.

Scope of work

This scope of work would cover the following steps:

- Based on capability gaps, establish or make use of existing mechanisms to build capability and knowledge of staff, such as:
  - Peer-to-peer networks, communities of practice or linkages between agencies (including relevant interjurisdictional agencies for niche technical skills such as hydrologic modelling or demand planning)
  - Formal learning and development opportunities, including for technical, project management, leadership capability (including in relation to coordination forums)
  - Succession planning for key technical and leadership roles, given the relatively small scale of the sector critical knowledge can reside with just a few individuals.

Change required to deliver option

Changes would be minor and can be implemented regardless of the overarching governance arrangements for the sector.

Indicative resourcing and costs

Indicative resourcing and costs for this option would be low and corresponding to incremental staff participation costs for establishing any of the mechanisms.

Interdependencies and sequencing with other options

Requires understanding of capability gaps and priorities.

Timeframe

One to two years and ongoing.

Option 12: Improve accountability and transparency for current funding arrangements

Purpose

To improve accountability and transparency of funding available for water management under the existing quantum of available funding. This will contribute to improved understanding of what activities and outcomes funding is being used for, and the adequacy and efficiency of funding.

Scope of work

This scope of work does not increase the level of funding available for water management in the ACT. Instead, accountability and transparency for the use of existing funding streams would be enhanced. This would require:

- mapping of existing funding streams and allocations to agencies and outcomes
- defining monitoring and reporting requirements for activities-based tracking of funding
- implementing systems and processes to capture and manage this information
- governance and use of the information by a central entity to understand system wide use of funding.

Change required to deliver option

Implementing the option would likely require changes to monitoring and reporting requirements, and possibly changes to financial systems to capture and report on this information with the required granularity. No changes to funding, legislation or administrative arrangements.

Indicative resourcing and costs

Resourcing and costs would include for mapping funding streams to activities and specifying monitoring and reporting requirements, as well as ongoing implementation to collect and report this information.

Interdependencies and sequencing with other options

Requires clarity of roles and responsibilities,

Timeframe

Within 2 years.

Option 13: Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)

Purpose

This option would seek to investigate and implement sustainable funding mechanisms, to address current gaps in funding and a lack of funding certainty for policies, programs and services. This could include options to:

- increase funding

- improve competitiveness for funding
- identify alternative funding sources
- be more efficient with existing funding.

Scope of work

This scope of work could cover the following steps:

- Review current programs, funding and performance in these areas and understand the short-, medium- and long-term investment needs for the sector.
- Review public funding mechanisms available to the ACT water sector, identify potential alternative funding arrangements and consider optimising the allocation of existing funding sources to address gaps.
- Assist relevant agencies to improve skills and capability in developing budgetary and business case submissions.

Change required to deliver option

- Resourcing for review of current programs and funding requirements and available funding mechanisms
- The extent of additional changes would depend on the gaps and the desired (and suitability of) funding mechanisms to address the gap. For example, different solutions may require:
  - Changes to resourcing levels (if increasing funding)
  - Administrative or legislative changes (e.g., establishing new user charge or levy)
  - Establishing and resourcing support programs (to enable better business case development).

Indicative resourcing and costs

This is a high-cost option, as it will require a high level of resourcing to undertake the recommended reviews, and work to assist agencies to improve skills and capability in developing budgetary and business case submissions.

Interdependencies and sequencing with other options

This activity would follow option 12. Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2.

Timeframe

Within 2 years, with ongoing implementation.

Option 14: Review and strengthen information sharing arrangements between water sector entities

Purpose

To review and strengthen information sharing arrangements between water sector entities to improve access to information, ensure the retention of organisational knowledge in the longer-term, and support staff to deliver against their roles and responsibilities.

Scope of work

This scope of work would cover the following steps:

- Reviewing current information sharing arrangements between ACT and region water sector entities.
- Consulting with relevant entities on gaps in information sharing, and the type, format and frequency of information that is required to support implementation of their work.
- Recommendations from this review will identify improvements in processes and procedures for information sharing and inform the scoping of a water information platform.
- After implementation of the revised arrangements, ensuring that the arrangements are periodically reviewed to ensure they continue to meet water entities needs over time. This could occur every few years (e.g., biennially, or five-yearly).

Change required to deliver option

This option would require a review of current information sharing arrangements, gaps in information sharing, and water entities needs for information to support implementation of their work. The arrangements should be periodically reviewed to ensure they continue to meet water entities' needs over time.

Indicative resourcing and costs

This is considered a low-cost option. Resourcing would be required for the review of current arrangements and development of new arrangements. Implementation of arrangements would occur as a part of BAU, with the option for a review in the longer-term.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2. Implementation of this option could occur in parallel to Option 15 and would inform scoping and development for a water information hub.

Timeframe

Within one year.

Option 15: Review and strengthen current arrangements for managing and sharing information transparently with the public

Purpose

To review and strengthen current arrangements for managing and sharing information with the public, to address the lack of publicly available and transparent information on water management. Implementation of this option with also contribute to the management of organisational knowledge in the water sector.

Scope of work

This scope of work would cover the following steps:

- Review current practice and arrangements for managing and sharing water management information with the public, across all ACT Government directorates and teams with responsibility for water policy, management and planning. This should consider the extent to which current practice and arrangements enable or meet ACT Government commitments for transparent release of information and data to the public (for example, the Proactive Release of Data (Open Data) Policy 2015, or any water-specific commitments)
- Consult with stakeholders to determine what information relevant stakeholders and the general public would like to access in relation to water policy, management and planning.
- Develop sector-wide arrangements for how and what information is managed and shared with the public. This step may include a second round of stakeholder consultation on the draft arrangements if seen as beneficial to the process.
- Following implementation of the revised arrangements, ensure that the arrangements are periodically reviewed to ensure they continue to meet stakeholder needs over time. This could occur every few years (e.g., biennially, or five-yearly).

Change required to deliver option

This option would require a review of current information management and sharing arrangements, stakeholder consultation, development of revised arrangements and potential subsequent stakeholder engagement prior to the finalised of arrangements. The arrangements should be periodically reviewed to ensure they continue to meet stakeholder needs.

Indicative resourcing and costs

This is considered a medium-cost option, as it would require some stakeholder consultation and resourcing to develop the information management and sharing arrangements.

Interdependencies and sequencing with other options

Successful implementation of this option would depend on clear roles and responsibilities being established across all areas of the water sector, as set out in option 2. Implementation of this option could occur in parallel to Option 14 and would inform scoping and development for a water information hub.

Timeframe

Within one year.

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Approved	Will Fargher

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ATTACHMENT E – MAP OF ROLES AND RESPONSIBILITES IN ACT WATER SECTOR

Chief Minister^ | Minister for Business and Better Regulation | Minister for Water, Energy and Emissions Reduction* | Minister for the Environment | Minister for Planning and Emergency Services | Minister for Transport and City Services | Minister for Health

CMTEDD

National Capital Authority
- **Lake Burley Griffin water quality and waterway health**
- Cross-border catchment management issues

ICRC
- **Economic regulation – water pricing determination role**
- **Utility licence (Icon Water)**
- Examines investment decision-making for major supply augmentation decisions, and the cost and viability of non-drinking water in the ACT

Chief Minister
- Regional cross-border water supply and development issues
- Regional MOU Growth Strategy

Treasury
- Economic regulation of water including water pricing
- Oversight of water fees and charges
- Sets water abstraction charge levee and manages WAC revenue
- Reviews of non-drinking water pricing

Access Canberra

EPA
- **Statutory decision maker WR Act 2007, EP Act 1997**
- Water security and quality strategy improvements
- **Water allocation**
- **Water supply licences**
- **Environmental water releases (Basin Plan)**
- **Surface and groundwater resource compliance matters**
- **Administering EPA regulations (environment, water quality and waterway health)**
- Long-term water resource planning
- Urban water service planning
- Dam safety
- Sewer Authorisations
- Collects fees and charges
- Monitoring and reporting on regulatory activities

Utility Technical Regulator
- **Regulates non-drinking water supply, dam safety, water supply and sewerage services and networks**

EPSDD

Water Policy
- Strategy and planning for water quality
- ACT Water Strategy
- MDB Agreement, Basin Plan, NWI commitments
- Supports policy development WSUD
- Water efficiency policy
- Long-term water resource planning
- Secretariat (**ACT & Region Catchment Management Group**, DGWG, SEWG)
- Permanent WCM / Temporary WRR

Resilient Landscapes
- ACT Healthy Waterways
- Water science, monitoring and modelling
- Waterwatch
- Community education
- Water efficiency - implementation
- delivery of catchment management actions

Statutory Planning
- **Development assessment and approvals (drainage works, plumbing code, certifiers)**
- Assessment of WSUD requirements
- Leasehold system administration

Conservation Research – Aquatic & Riparian
- Fish monitoring, aquatic biosecurity
- Aquatic and Riparian Conservation Strategy

Conservator of Flora & Fauna
- **Protecting drinking water catchments**
- **Impact assessment - waterways**
- **Threatened aquatic species**

Environment Protection Policy
- Developing EPA legislation and policies, Environment Protection Act 1997 and Environment Protection Regulation 2005

Parks and Conservation Service
- **Catchment land management incl. fire**
- **ACT management of Googong Reserve within NSW**

JCS

ACT ESA
- Strategic Flood Risk Management Plan
- Emergency management response for flooding

TCCS

Stormwater
- Provides practical understanding of stormwater assets ownership to policy and standards
- Asset ownership perspective on performance of catchment management initiatives
- Own, manage, maintain and monitor stormwater system and assets
- Inner North Reticulation Network
- Water quality services (dredging, street sweeping, GPT material collection)
- Urban water service planning
- Stormwater MISO8

Dam Safety
- Provides practical understanding of dams asset ownership to policy and standards
- Asset ownership perspective on catchment management initiatives
- Delivery of hydrometric services
- Manage, maintain and monitor assets for water quality, flood

Note: Canberra Lakes and Ponds Plan of Management managed by TCCS City Services

ACT Health
- **Drinking water licencing authority**
- **Regulates drinking water quality**
- Monitors water quality (recreational water sites)

Bullet points in **bold** depict where a directorate/agency has a legislatively assigned responsibility

* Icon Water Shareholder & MDB Minco representative

^Icon Water Shareholder & Climate Action

Stormwater and floods

Drinking water

Regional water management

Wastewater

Policy and direction setting
Resource management
Service delivery
Regulation

Icon Water

- Water security and quality strategy improvements
- Catchment manager planning activities
- Support for water trading, environmental flows, water efficiency
- Long-term water resource planning
- **Major supply augmentation and wastewater infrastructure decisions**
- Cross-border catchment management issues
- **Own, operate, maintain drinking water supply**
- **Own, operate, maintain wastewater system**
- **Bulk water for Canberra and Queanbeyan**
- Water pricing (proposals)
- Long term infrastructure planning
- **Permanent WCM / Temporary WRR**
- Drought management
- Collects charges
- Reporting against standards and guidelines

Regulators

Policy

CABINET

Access Canberra

EPA

- **Statutory decision maker WR Act 2007, EP Act 1997**
- **Water supply licences**
- **Environmental water releases (Basin Plan)**
- **Surface and groundwater resource compliance matters**
- **Administering EPA regulations (environment, water quality and waterway health)**
- Dam safety
- Sewer Authorisations
- Collects fees and charges
- Monitoring and reporting on regulatory activities

Utility Technical Regulator

- **Regulates non-drinking water supply, dam safety, water supply and sewerage services and networks**

ACT Health

- **Drinking water licencing authority**
- **Regulates drinking water quality**
- Monitors water quality (recreational water sites)

National Capital Authority

- **Lake Burley Griffin water quality and waterway health**
- Cross-border catchment management issues

ICRC

- **Economic regulation – water pricing determination role**
- **Utility licence (Icon Water)**
- Examines investment decision-making for major supply augmentation decisions, and the cost and viability of non-drinking water in the ACT

CMTEDD

Office for Water

Chief Minister

- Regional cross-border water supply and development issues
- Regional MOU Growth Strategy

Central agency+ Cross border/ regional relationships

Central agency

Treasury

- Economic regulation of water including water pricing
- Oversight of water fees and charges
- Sets water abstraction charge levee and manages WAC revenue

Icon Water

EPSDD

Water Policy

- Strategy and planning for water quality
- ACT Water Strategy
- MDB Agreement, Basin Plan, NWI commitments
- Supports policy development WSUD
- Water efficiency policy
- Long-term water resource planning
- Secretariat (**ACT & Region Catchment Management Group**, DGWG, SEWG)
- Permanent WCM / Temporary WRR
- Long-term water resource planning
- Water security and quality strategy improvements
- Reviews of non-drinking water pricing

Conservation Research – Aquatic & Riparian

- Fish monitoring, aquatic biosecurity
- Aquatic and Riparian Conservation Strategy

Conservator of Flora & Fauna

- **Protecting drinking water catchments**
- **Impact assessment - waterways**
- **Threatened aquatic species**

Resilient Landscapes

- ACT Healthy Waterways
- Water science, monitoring and modelling
- Waterwatch
- Community education
- Water efficiency - implementation
- delivery of catchment management actions

Statutory Planning

- **Development assessment and approvals (drainage works, plumbing code, certifiers)**
- Assessment of WSUD requirements
- Leasehold system administration

Environment Protection Policy

- Developing EPA legislation and policies, Environment Protection Act 1997 and Environment Protection Regulation 2005

Parks and Conservation Service

- **Catchment land management incl. fire**
- **ACT management of Googong Reserve within NSW**

JCS

ACT ESA

- Strategic Flood Risk Management Plan
- Emergency management response for flooding

TCCS

Stormwater

- Provides practical understanding of stormwater assets ownership to policy and standards
- Asset ownership perspective on performance of catchment management initiatives
- Own, manage, maintain and monitor stormwater system and assets
- Inner North Reticulation Network
- Water quality services (dredging, street sweeping, GPT material collection)
- Urban water service planning
- Stormwater MISO8

Dam Safety

- Provides practical understanding of dams asset ownership to policy and standards
- Asset ownership perspective on catchment management initiatives
- Delivery of hydrometric services
- Manage, maintain and monitor assets for water quality, flood retardation, recreational use, non-drinking water supply, dam safety

Note: Canberra Lakes and Ponds Plan of Management managed by TCCS City Services

Important relationships to office
- Implementation
- Program
- Responsibility

Bullet points in **bold** depict where a directorate/agency has a legislatively assigned responsibility

* Icon Water Shareholder & MDB Minco representative

^Icon Water Shareholder & Climate Action

Policy and direction setting
Resource management
Service delivery
Regulation



DIRECTOR-GENERAL, CHIEF PLANNING EXECUTIVE AND UTILITIES TECHNICAL REGULATOR
Ben Ponton



DEPUTY DIRECTOR-GENERAL, ENVIRONMENT, WATER AND EMISSIONS REDUCTION
Geoffrey Rutledge

OFFICE FOR WATER

CO-ORDINATOR GENERAL
(Band 1)

Governance, outcomes, objectives defined and agreed
Clear roles and responsibilities
2-3 year work plan

SENIOR OFFICER GRADE A

INTERGOVERNMENTAL, GOVERNANCE, CULTURAL

SENIOR OFFICER GRADE B

SENIOR OFFICER GRADE C

ADMISTRATIVE SERVICE OFFICER 6

ADMINISTRATIVE SERVICE OFFICER 6

ADMINISTRATIVE SERVICE OFFICER 5/6

URBAN WATER POLICY AND PLANNING

SENIOR OFFICER GRADE B

SENIOR OFFICER GRADE C

ADMISTRATIVE SERVICE OFFICER 6

ADMINISTRATIVE SERVICE OFFICER 6

GRADUATE PLACEMENT

WATER INFORMATION AND ENVIRONMENT

SENIOR OFFICER GRADE C

SENIOR OFFICER GRADE C

2022-23 Budget – Business Case - Summary

Proposal Name: Establishing a holistic and coordinated approach to water management in the ACT - Office of Water

Lead Minister: Rattenbury

Supporting Ministers (and related Portfolio/s): NA

Brief Description: The proposal would fund establishment of a new Office of Water to implement governance reforms and deliver key water policy initiatives and water management improvements.

Additional Information

In response to the *Parliamentary and Governing Agreement for the 10th Legislative Assembly*, Environment, Planning and Sustainable Development Directorate (EPSDD) led a review into water governance in the ACT during 2021-22 (the Review). The Review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions. Chronic governance issues were identified by an inter-agency Advisory Group (see Attachment F3) that relate to poorly defined roles and responsibilities across government agencies, inadequate capability and capacity (skills, funding, and information) and poor inter-agency coordination and decision-making on cross-sectoral issues. The proposed Office of Water and associated package of priority reform activities will be considered by Cabinet on 13 July 2022 (22/159).

Impact

The preferred model for delivering ACT water governance reforms is to establish an Office of Water to lead the implementation of all priority (foundational) governance reforms. This model would adopt all water policy and planning functions from EPSDD plus relevant functions from other agencies, subject to review and further consultation with the sector.

The core aim of an Office of Water is to enable ACT Government agencies that are working on elements of water management and policy to more holistically:

- clarify (or reset) the vision, objectives and goals for the sector;
- tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach;
- investigate and resolve deeper issues of governance and structure; and
- communicate with the public on ACT water resource management issues.

The Office would deliver the following new initiatives: Ngunnawal Ngadjung Water Initiative, Water Information Hub, Integrated Water Management Plan for long-term water security and climate adaptation, and revised ACT Water Strategy.

Resourcing

The proposal is for the Office of Water to operate for four years from July 2022 until June 2026. Funding for future years may be sought through a second budget bid in 2026.

Impacts	2022-23	2023-24	2024-25	2025-26	Total
Total $	2,309	3,283	3,400	3,316	**12,308**
Offset $	-928	-1,727	-1,754	-1,780	**-6,189**
Net financial impact	1,381	1,556	1,646	1,536	**6,119**
Net FTE	5	5	5	5	

2022-23 Budget – Business Case

Proposal Name: Building a water secure city - Office of Water

Brief Description: The proposal would fund establishment of a new Office of Water to implement governance reforms and deliver key policy initiatives in the water sector.

Lead Minister: Rattenbury

Portfolio: Water, Energy and Emissions Reduction

Supporting Ministers (and related Portfolio/s): N/A

Minister's recommendation:

This business case seeks funding for the program/s listed below:

a. Establishment of the Office of Water

This business case forms a multi-stage proposal and, if agreed, the following component may come forward as business cases in future budgets:

a. Ongoing funding for the Office of Water from 2027 onward, pending outcomes of a mid-term review of the Office in 2025.

This business case does not have any revenue implications.

Lead Agency: Environment, Planning and Sustainable Development Directorate

Supporting Agencies: Not a cross-agency proposal however there are cross-agency relationships and implications (see Section 6).

Electorate: All

Alignment with the ACT Aboriginal and Torres Strait Islander Agreement 2019-2028?:

✓ Yes ☐ No

Alignment with the ACT Women's Plan 2016-26?:

☐ Yes ✓ No

Wellbeing domain 1: Environment and climate

Priority Target Group(s): The proposal will impact all ACT residents.

☐ Older Canberrans	☐ Women	☐ LGBTIQA+	☐ Carers
☐ Culturally and linguistically diverse people	☐ Children and Young people	☐ Aboriginal and Torres Strait Islander Peoples	☐ People with disability

Funding Category: New

Existing Program(s): N/A

Year to cease funding or ongoing: The proposal is for the Office of Water to operate for four years from July 2022 until June 2026. Funding for future years may be sought through a second budget bid in 2026.

Link to Budget consultation: No budget consultation has occurred.

Attachments:

F2	Timeline for implementation – Office of Water
F3	Summary of governance issues and reform agenda
F4	Investment Logic Map and early evaluation framework
F5	Detailed costings
C (refer Cab Sub)	Wellbeing Impact Assessment
E (refer Cab Sub)	Map of current ACT water governance arrangements

Financial impacts summary

Financial Impacts Summary (Preferred Option)	**2022-23 $'000**	**2023-24 $'000**	**2024-25 $'000**	**2025-26 $'000**	**Total $'000**
Capital Impacts					
Capital injection	-	-	-	-	**-**
Capital inflows	-	-	-	-	**-**
Capital offset – Existing provision[(a)]	-	-	-	-	**-**
Expense Impacts					
Expenses (staff and supplier)	2,309	3,283	3,400	3,316	**12,308**
Expenses – Offsets[(b)]	-928	-1,727	1,754	1,780	**-6,189**
Expenses – Offsets – existing provision[(a)]	-	-	-	-	**-**
Depreciation	-	-	-	-	**-**
Revenue[(c)]	-	-	-	-	**-**
Commonwealth contribution					
Savings	-	-	-	-	**-**
Staffing Impact	**2022-23**	**2023-24**	**2024-25**	**2025-26**	
Total FTEs (number)	9	13	13	13	
FTE offset	4	8	8	8	
Total additional FTE (number)	5	5	5	5	

Breakdown of Capital ($000)	2022-23	2023-24	2024-25	2025-26	Total
					Nil
Breakdown of Expenses ($000)	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
Employee Expenses	**1,521**	**2,183**	**2,225**	**2,266**	**8,195**
Existing supplier budget – Water policy	150	300	300	300	1,050
Consultants, Contractors and Professional services[#]	625	675	750	725	2,775
Staff development and recruitment	13	25	25	25	88
Communication and computer expenses	0	100	100	0	300
TOTAL EXPENSES	2,309	3,283	3,400	3,316	12,308
Offset – existing staff and expenses	-928	-1,727	-1,754	-1,780	-6,189
NET EXPENSE IMPACT	1,381	1,556	1,646	1,536	6,119
Total additional FTEs (number)	***5***	***5***	***5***	***5***	

[#] Costs are associated with consultancy, contractor and community engagement expenses to deliver on the new initiatives and governance reform package listed in section 3. Specifically, development of a web-based water information platform, generating new hydrological information to support climate change adaptation and integrated water planning, improved evaluation and reporting of policy and program delivery, engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (including defining cultural flows, building community capability, and securing water entitlements and developing a business framework for economic development).

The costs provided above represent new funding.

In addition to the new FTE included in this business case, it is assumed that some existing resources attached to FTEs would need to be transferred from within EPSDD and other agencies. Further information on this is provided at Section 3 - Proposed Solution.

Part A – The Business case

1. Problem statement

Scientific monitoring of catchment condition and water quality, and reviews of policy and policy implementation highlight significant issues resulting from the current governance arrangements. Critical governance gaps have been identified that lead to multiple unmitigated strategic risks. Resolving these risks requires a package of reforms that must be delivered with the appropriate level of authorisation and capacity to perform.

Climate adaptation risk assessment conducted by the ACT Office of Climate Action identifies drought and drinking water supply as a high strategic risk for the ACT; the risk assessment report is scheduled to be presented to Cabinet on 19 May 2022. Icon Water (2021, *Report on the Survey of the ACT Drinking Water Catchment 2019-21*) presents analysis of the change in inflows into the ACT 's water storages over the last 20 years. This analysis indicates that climate impacts on our water resources are occurring now, decades earlier and more pronounced than in the climate modelling used for the adaptation risk assessment. In addition to the reduction in water availability, the resultant effect of

the changing climate is also evident in the declining water quality, increased temperatures and more frequent extreme weather events.

The Catchment Health Indicator Program (CHIP) collects data across the upper Murrumbidgee catchment. Over the period 2019-2020, approximately 59% of reaches across the upper Murrumbidgee catchment fell into the fair or poor range. For the 15 reaches of Ginninderra Creek catchment, where over 42% of ACT residents live, only one reach was classified in 'good' condition, with the remaining classified as fair (12) and poor (2). (CHIP reports 2019-2020)

The Office of the Commissioner for Sustainability and the Environment (OCSE) is concluding a review into the effectiveness of the ACT Government's management of Canberra's urban lakes and waterways. The final report is scheduled to be presented to the Assembly on 6 June 2022, however, early findings highlight a number of systemic problems impacting ACT waterways and resulting in high turbidity, algal blooms, untreated stormwater impacts, and poor policy implementation (e.g., water sensitive urban design) (Alluvium 2021, *ACT Waterways Policy Review*). The review points to a lack of clear governance to guide strategic decision making to protect and improve the health of urban lakes and waterways.

Current water management arrangements

In response to the *Parliamentary and Governing Agreement for the 10th Legislative Assembly*, EPSDD led a review into water governance in the ACT during 2021-22 (the Review). The Review aimed to gain insights directly from government agencies with water responsibilities and Icon Water (service utility) on the current issues impacting the water sector and potential solutions. Chronic governance issues were identified by an Advisory Group made up of ACT Government agency and Icon water representatives (see Attachment F3) that relate to poorly defined roles and responsibilities across government agencies, inadequate capability and capacity (skills, funding, and information) and poor inter-agency coordination and decision-making on cross-sectoral issues.

A map of current roles and responsibilities was developed as part of the review (Attachment E). The mapping reflects dispersed and/or overlapping governance arrangements, strategic policy gaps and unagreed stakeholder perspectives on current roles and responsibilities.

Uncertainty over ownership of cross-sectoral issues has contributed to poor collaboration and policy implementation. For example, in the response to the 2018 ACT Auditor General's report on *Acceptance of Stormwater Assets*, an inter-governmental action group was formed and delivered an action plan. Without clarity on the decision-making authority for this issue, the plan has not been taken forward for endorsement or implementation. Similar challenges exist on topics of water security, integrated water management and cross-border planning and supply (Aither 2021, *ACT Governance Review - scoping paper on current issues and potential improvements*). The Review clearly demonstrates that current institutional arrangements and resourcing (capacity and capability) is inadequate to respond to current and emerging strategic risks. Relying on existing resources will not provide improvement in the delivery of current statutory functions or new initiatives.

If left unaddressed, these issues threaten to undermine the ability of the ACT Government to effectively manage the ACT's water resources into the future, with ongoing impacts for all residents of the ACT and surrounding region that use and value the region's water resources. These risks are compounded with the effects of a growing population (within the ACT and the surrounding region) and changing climate. The potential consequences would be a further decline in water quality that impacts human health (e.g., blue green algae and bacterial loads), reduced water security and the inability to respond to increasingly severe droughts, increased frequency of extreme rainfall events

and heightened flood risk (NARCliM 1.5). See Section 5 Risk Management and Attachment C for the Wellbeing Impact Assessment.

Why now?

Governance issues remain outstanding because no one agency has the authority, mandate and, importantly, the resourcing to drive the necessary reforms. Previous attempts have been made to address poor cross-sectoral coordination through the cross-agency Director-Generals Water Group and Senior Executives Water Group. These groups were established to respond to the Millennium Drought and ceased once the drought ended.

Stakeholders' insights provided through the water governance review offer that an unclear mandate, unclear processes for elevating and resolving issues and inadequate capacity to service the workflow diluted the effectiveness of both executive groups. Broader governance, strategic direction, decision-making responsibility and capacity (resourcing) issues will need to be addressed before any cross-sectoral coordination group can be effective.

2. Options analysis

A structured process was used to identify and prioritise current water governance issues and develop a solution set (priority reform agenda) with input from the Advisory Group (Attachment F3). Four different governance models were explored to deliver the package of priority reform activities. The need to centralise core responsibilities, to be led from a single entity (Office of Water), was identified as critical to resolve the systemic issues impacting the water sector.

Consideration of different governance models implemented in the ACT and other jurisdictions has guided the necessary functions and characteristics being proposed for the ACT Office of Water. Other governance models that informed the options comparison presented at Table 1 include: a coordinating role as performed by ACT Office for Climate Action; an independent statutory authority such as the Office for the Commissioner for Sustainability and the Environment; and a water agency that centralises all regulatory and operational responsibilities e.g., New South Wales Office for Water. The proposed model for the ACT Office of Water (option 3, Table 2) is considered a proportionate response to effectively address the critical problems identified.

Detailed assessment of the water reform activities and the proposed governance model for the Office of Water is documented in the ACT Water Governance Review, Stage Two report - *Final Reform Options and Implementation Guidance* (Aither 2022).

Resourcing options considered in developing the proposal include phased funding (to 2026) and the transference of budget with water management functions from agencies to the Office of Water.

The proposed Office of Water and associated package of priority reform activities will be considered by Cabinet on 13 July 2022 (22/159).

2.1 Options comparison – water governance

Table 1.

	Option 1	Option 2	Option 3	Option 4
	No new funding allocation	**Medium cost ($3,278,000 net)**	**Optimal cost ($6,119,000 net)**	**Maximum cost ($13,078,000 net)**
Role of Office	**No office**	**Office as assurance/facilitator only**	**Office as policy lead, responsible for priority governance reforms**	**New central water agency**
Funding phasing	Annual	Funding for four years.	Funding for four years.	Ongoing funding.
Approach	Some minor reforms* led without an Office of Water by existing agencies. Establish a new cross-agency coordination forum to resolve critical issues.	Office undertakes targeted assurance reviews over four years, as directed by the Minister. Office is located within EPSDD. Office coordinates minor reforms* but is not responsible for implementation of reforms – reforms remain within the responsibility of existing agencies.	Head of the Office of Water (HoOW) to lead the Office. Office is located within EPSDD. Office leads all priority governance reforms and reports to the Minister on implementation of reforms. Office centralises all water policy and planning functions, including some functions currently with Environment Protection Authority (EPA). Office undertakes assurance reviews as directed by the Minister, e.g., implementation of Water Strategy.	Office of Water established as a new central water agency (not within EPSDD), with direct accountability and reporting to the Minister for Water. Head of Office established as a CEO type position with increased delegated decision-making from the Minister e.g., issuing of entitlements. As with Option 3, but with additional operational, program delivery, service delivery (Inner North Reticulation Network) and regulatory responsibilities.
Outcomes	Minor reforms would lead to improved inter-agency coordination and information sharing. Limited improvement in environment conditions and water management.	Minor reforms would lead to improved inter-agency coordination and information sharing. Limited improvement in water management. Responds to some implementation risks.	All priority governance reforms, and policy initiatives progressed. Significant improvement in water security and environmental condition. Effective response to strategic issues such as climate change and water security.	All priority governance reforms, and policy initiatives progressed. Significant improvement in water security and environmental condition. Effective response to strategic issues such as climate change and water security.

			Improved public confidence and trust in government.	Improved public confidence and trust in government.
Benefits	Managed within existing budgets. No organisational change. This option represents the status quo. Limited benefits.	Provides opportunity to undertake targeted assurance reviews. Coordination forum is established to support cross agency communication and collaboration. Supports implementation of existing water functions.	Implementing the reforms in full, filling strategic policy gaps and aligning/centralising most policy and planning functions would lead to improved wellbeing benefits (see Attachment C). Effective mitigation for strategic risks – policy gaps and policy implementation issues. Single point of reference for public and industry on water matters. Minimises workforce disruption through focusing improvements on policy and planning functions. Delivery of new initiatives – Water Information Hub, Ngunnawal Water Initiative, Long term water security and climate adaptation planning, refresh of the ACT Water Strategy.	Implementing reforms in full would resolve outstanding governance issues and outcomes for the sector. Effective mitigation for strategic risks. Strong alignment between policy, planning, regulation and program delivery. Single point of reference for public and industry on water matters. Delivery of new initiatives – Water Information Hub, Ngunnawal Water Initiative, Long term water security and climate adaptation planning, refresh of the ACT Water Strategy.
Disadvantages	This option only proposes that minor improvements are undertaken (e.g., information sharing, clarifying existing responsibilities). Does not address the significant and systemic governance issues identified across the sector. Strategic risks remain unmitigated. Does not deliver on the Water Information Hub, water security and climate change planning and only limited delivery of the Ngunnawal Water Initiative.	This option only proposes that minor improvements are undertaken (e.g., information sharing, clarifying existing responsibilities). Does not address the significant and systemic governance issues identified across the sector. Strategic risks remain unmitigated. Does not deliver Water Information Hub, no new information generation to support water security-climate change adaptation planning, limited	More expensive than Options 1 and 2. Requires some disruption to the institutional arrangements to realign responsibilities.	New agency structure does not allow for separation of policy and regulation/compliance (an important element of good governance). Highest cost option. Requiring major machinery of government change with significant disruption to workforce/water sector. Slow to establish in practice.

		advancement of Ngunnawal Water Initiative.		
Timescale	Annual. Activities to be conducted in one year (subject to budget). Benefits to be incurred over decades, or potentially undetectable, as the improvements to governance arrangements are minor.	Costs incurred over four years. Benefits to be incurred over decades as the improvements to governance arrangements are minor. Some reform to policy and program delivery would improve outcomes for lakes and rivers (see Attachment C).	Costs incurred over four years. Benefits incurred over a shorter time span than Option 1 and 2 due to the resourcing and institutional arrangements to drive reforms. Enables better policy and program delivery and ultimately outcomes for lakes and rivers (see Attachment C).	Costs ongoing if established as permanent new agency. Benefits incurred as for Option 3.
Major Risks	This option relies on existing level of resourcing dispersed across multiple agencies. Inadequate capacity and capability have been identified as a key constraint in the sector. Without additional resourcing the proposed minor reforms are unlikely to be prioritised/implemented by existing agencies. A coordination forum will have limited effectiveness until other governance issues are resolved. High reputational risk of no change in water management.	While the Office would coordinate and report on reform implementation, implementation remains the responsibility of existing agencies and are unlikely to be progressed under existing resourcing limitations. New policy development (e.g., integrated water planning, Ngunnawal Ngadjung Water Initiative) not funded, would be subject to future funding. Integrated water plan is limited in scope and cannot be supported by quantitative analysis. Does not support a diversification of water supply for climate adaptation.	Delivering a reform and policy agenda sets high public expectations for significant improvement in administration and short-term water management outcomes. The proposed reform agenda provides a proportionate risk treatment to the strategic risks identified through the Governance Review and other reviews.	Does not allow for structural separation of water resource management, regulation and service delivery (consistent with the 2004 *Intergovernmental Agreement on a National Water Initiative*).
Evaluation/ Wellbeing	Any improvement in water governance arrangements will contribute to improved outcomes for river and lake health and aquatic ecosystems. Options 3 and 4 (where the reform agenda is implemented in full) will support measurable improvements in wellbeing outcomes than compared with Options 1 and 2 (where only partial reforms are pursued).			

*Minor reforms would include:

1. Better specifying existing roles and responsibilities through inter-agency agreements and performance measures
2. Building capacity and capability of staff through learning and development
3. Reviewing information sharing arrangements between agencies and the public

3. Proposed Solution

Resolving the extensive and entrenched issues identified requires a package of reform activities that redefines the future direction for the water sector, provides leadership and builds capability for developing innovative solutions.

The fragmented nature of water management (e.g., policy, planning, regulation, resources) has contributed significantly to the chronic problems plaguing the water sector. To resolve these issues, the establishment of an Office of Water was identified as essential to improving water management, provided the Office is enabled to coordinate the centralisation of policy and planning functions, has authority to drive improvement and is adequately resourced to act (Option 3, Table 2).

The Office would initially be funded for four years with its continuation subject to an independent review in the third year (2025).

The Office for Water

The preferred model for delivering ACT water governance reforms is to establish an Office of Water that leads the implementation of all priority (foundational) governance reforms. This model would adopt all water policy and planning functions from across EPSDD, plus relevant functions from other agencies subject to review and further consultation with the sector. Functions that may be transferred from other agencies relate to cross-border policy and regional water planning, water service planning, and water allocation and trade, water accounting and reporting, for example (see section below on Proposed Structure of Water).

Water related responsibilities not transferred to the Office of Water (e.g. service delivery, regulation, relevant activities such as development planning) could be managed through a consultative forum, to be developed during the establishment phase of the Office.

The core aim of an Office of Water is to enable ACT Government agencies that are working on elements of water management and policy to more holistically:

- clarify (or reset) the vision, objectives and goals for the sector;
- tackle discrete and more immediate issues and governance reforms such as roles, responsibilities and accountabilities;
- coordinate on cross-cutting issues, foster collaboration and help reach decisions that reflect a more coordinated and integrated approach;
- investigate and resolve deeper issues of governance and structure; and
- communicate with the public on ACT water resource management issues.

The Office would be located within EPSDD, with responsibility to:

- lead policy and planning for the ACT water sector, including regulatory setting (e.g., setting environmental authorisations for water quality issues);
- implement the full package of governance reforms (see Attachment F3);
- undertake monitoring and reporting to government on the implementation of governance reform priorities, water plans, policies and strategies;
- provide the primary point of engagement with ACT community on water sector issues; and
- undertake assurance reviews in line with an annual assurance work program agreed by the Minister for Water.

Priority foundational reform activities to be delivered by the Office is provided in Attachment F3. In addition to these reform activities, the Office of Water would deliver the following:

- Refresh of the ACT Water Strategy 20214-44: Striking the Balance.
- Develop and implement a Ngunnawal Ngadjung Water initiative.
- Develop a long-term Integrated Water Management Plan for water security and climate adaptation.
- Establish a Water Information Hub.

The package of deliverables that contribute to and align with the Wellbeing domain of Environment and Climate are set out in Attachment C.

This model was assessed as providing the most effective and efficient means by which to implement the reform priorities identified through the Water Governance Review.

Head of the Office of Water

It is proposed that the Office is led by a departmentally appointed Head of Office of Water (HoOW), reporting to the Deputy Director-General (Environment, Water and Emissions Reduction) and the Minister for Water. This position will be absorbed within EPSDD's current budget.

Changes to Administrative Arrangements are likely to be required to align relevant responsibilities of the Office of Water under the Minister for Water. Reviewing Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions is proposed as a priority reform item (Attachment F3). In the interim, a delegation instrument may be used to define initial responsibilities assigned to the HoOW.

Proposed structure of the Office of Water

It is proposed that the Office could be structured along four themes, as shown in the table below. The *Existing FTE* figures in the table below are estimates only, approximated across the four years (22/23 to 25/26). They are subject to further consultation.

THEME	**Total FTEs**	**Existing FTEs**	**New FTEs**	**Potential responsibilities for team**
1. Inter-governmental Water Policy and Governance Reform	3	3	0	Implementing governance reforms, assurance and policy evaluation, cross border supply, National Reporting, National Water Initiative, Murray-Darling Basin (MDB) Authority requirements, Council of Australian Governments requirements, catchment coordination. **Some FTEs could be transferred from EPSDD/CMTEDD - subject to further consultation*
2. Urban Water Policy and Planning	4	1	3	ACT Water Strategy, Integrated Water Management Plan, Water Sensitive Urban Design, integrated wastewater planning Lakes and Ponds Plan of Management, Sub-catchment water planning, flood risk planning, delivery of water trading, water accounting and reporting. ** FTEs to be transferred from within EPSDD - subject to further consultation*
3. Environment and Culture	2	2	0	Environmental flows, Long-term Watering Plan (MDB), water quality, cultural water.

				**FTEs could be transferred from within EPSDD*
4. Water Information	3	1	2	Development of information hub, data management, modelling, monitoring, evaluation and reporting of water quality and quantity. ** FTE to be transferred from within EPSDD*

FTE	**FY 22/23**	**23/24**	**24/25**	**25/26**
Existing positions (EPSDD, and positions transferred from other agencies - TBC)	3	7	7	7
Head of Water executive position – EPSDD to offset	1	1	1	1
New FTEs	5	5	5	5
TOTAL	**9**	**13**	**13**	**13**

Out of Scope

The Office will not assume responsibilities for:

- operational and program delivery e.g., Natural Resource Management activities, Waterwatch, Healthy Waterways, asset maintenance) - these will remain within the relevant functional area within the relevant agency;
- compliance activities for example compliance for water take, monitoring of water quality - these will remain the responsibility of the EPA who will report on compliance activities to the Office and Government;
- service provision - this will remain with Icon Water and Transport Canberra and City Services Directorate (TCCS); and
- dam safety - this will remain with the Utilities Technical Regulator (UTR).

Coordination Forum

A cross-government senior-executive coordination forum would be established to provide advice to the HoOW - see Section 5 Governance. Resolving the purpose and nature of this forum would be an early deliverable for the Office.

Intended outcome and beneficiaries

Good governance is essential for supporting a resilient and water-secure city; for ACT residents to access secure water supply and to enjoy the amenity values provided by the ACT's rivers and lakes.

The proposal aligns with the Wellbeing domain of Environment and Climate. The intended outcomes and beneficiaries are described in detail in Attachment C.

The Investment Logic Map provided at Attachment F4 illustrates the benefits and deliverables from the proposed package of reforms. The Office of Water and the package of reforms aims to improve the effectiveness of policy and program delivery, provide integrated water supply and wastewater management and improve public confidence in the ACT Government's water management. The proposed governance arrangements provide a proportionate response to the current and emerging

strategic risks associated with climate change and the pressure of population growth on the long-term security of the ACT's water resources.

The Office would provide a single point of contact for the public on water sector issues and improve public transparency and accountability for water management.

Delivery

Delivery timeframes are set out at Attachment F2. The proposal is a stand-alone proposal.

A separate business case has been developed to strengthen the capacity of the Environmental Protection Authority (EPA) to deliver it regulatory responsibilities. The regulatory responsibilities of the EPA will remain separated from the policy and planning responsibilities proposed for the Office of Water. The EPA and Office of Water business cases are complementary but distinctly separate in their resourcing requirements.

EPSDD would lead the initial establishment of the Office. In the six months from July – December 2022 (subject to Cabinet approval), EPSDD would recruit the Head of Office of Water (HoOW), progress required administrative changes to establish the Office including the delegation instruments, and initiate recruitment for the Office.

The proposed resourcing for this Business Case has been costed to deliver:

- existing water management functions and responsibilities that are proposed to be centralised in the Office of Water, where inadequate capacity and capability (resourcing) have been identified as negatively impacting implementation of Government policy and programs (refer to Section 1 – Problem Statement).
- new initiatives and governance reform package listed in Section 3. Activities include development of a web-based water information platform, generating new hydrological information to support climate change adaptation and integrated water planning, improved evaluation and reporting of policy and program delivery, engagement with the Ngunnawal community on the co-design and participation in implementation of the Ngunnawal Ngadjung Water Initiative (e.g. defining cultural flows, building community capability, and securing water entitlements and developing a business framework for economic development).

Source of funding

Revenue from the Water Abstraction Charge (WAC) could be used towards funding the new Office. The WAC is charged to recover catchment management costs and environmental costs associated with water extraction.

The ACCC annual Water Monitoring Report (2019, 2020) and the ACT Commissioner for Sustainability and Environment (2018) highlight a disjuncture between WAC revenue and expenditure on water management activities in previous years. EPSDD's 2022 report to the ACCC indicates an $18.8 million difference between WAC revenue and relevant expenditure on water resource management.

The issues identified through the ACT Water Governance Review highlight that the level of resourcing for some years has been insufficient to support effective water management. The transfer of existing staff resourcing assumed in the proposed budget through remains insufficient to deliver current policies and proposed new initiatives without new funding.

This business case represents an increase in the base funding to support the water resource management outcomes intended by the WAC, and consistent with the National Water Initiative

Water Pricing Principles. Funding to establish the Office of Water, implement reforms and new initiatives could be legitimately assigned to revenue raised through the WAC.

4. Policy alignment

This proposal responds to an executive reform order in the *Parliamentary and Governing Agreement for the 10th Australian Capital Territory Legislative Assembly* to *'consider the best administrative arrangements to manage new water programs and provide a holistic and coordinated approach to water programs and policy'.*

The proposal also responds to a 2019 resolution passed by the ACT Legislative Assembly on water security, which called upon the ACT Government and Icon Water to:

- continue to implement and promote the ACT Water Strategy 2014-44: Striking the Balance;
- hold consultations with water stakeholders and experts; and
- ensure climate change projections are considered in long-term planning and decision-making regarding water use and restrictions.

5. Implementation, governance, risk management

Implementation

The timeline for key deliverables is provided at Attachment F2.

Creating the required authorising environment for the Office would require amendments to the Administrative Arrangements to align responsibilities with the Minister for Water, new/revised inter-agency agreement (Memorandum of Understanding or similar) and delegation instruments. Timely establishment of the Office would benefit from dedicated resourcing within the first 6 months.

The Office would be hosted within EPSDD to maintain close alignment between policy, planning, program delivery (Healthy Waterways) and science (Conservation Research). The new Office would use the existing corporate and administrative support systems (HR, ICT, finance etc).

An organisational strategic plan, annual work plan and performance framework would guide the early establishment and on-going operation of the Office to deliver the reform priorities and key deliverables.

There are two key milestones for the Office:

1. At the end of the second year (2024) – review of the effectiveness of priority foundational activities to determine whether further reforms are necessary. For example, amendments to the *Water Resources Act 2007*.
2. At the end of third year (2025) - a mid-term review on the effectiveness of the Office of Water.

Governance

The HoOW will report to the Minister for Water.

A coordination forum would be established to provide strategic advice on cross-cutting issues and policy development. The terms of reference for the forum and its establishment will be delivered by the Office within the first six months of operation. Representation may be comprised of senior executives from EPSDD, Chief Minister, Treasury and Economic Development Directorate (CMTEDD), EPA, TCCS, Icon Water and other representatives as deemed appropriate.

Risk management

The key risks associated with the proposal include:

- Capability and capacity to deliver reforms - ensuring the Office has adequate resourcing and can access the skills and capability required to deliver the reform and policy agenda effectively in the time scheduled.
- Leadership – recruiting the right person to lead the Office with appropriate leadership experience and dedicated capacity to focus on the water reforms.
- Stakeholder management – ensuring the sector has stakeholder support to the proposed changes/reform agenda.

These risks would be managed through strong business planning, a collaborative cross-agency approach to change management (initiated with the water governance review), establishment of an Office with a culture of leadership and innovation, and an appropriate level of financial resourcing.

There are greater risks to the wellbeing of the ACT community by **not** undertaking the reforms as proposed i.e., options 1 or 2. Unaddressed governance issues, especially when facing compounding pressures of climate change and population growth, will have detrimental effects on the long-term management of the ACT water resources. The materialisation of this risk is evident under current arrangements. The proposed reforms aim to provide an effective treatment that is proportionate to the major/catastrophic risk to the environment and water security (quantity, quality and affordability) under the status quo (option 1).

There is reputational risk in the continuation of unresolved issues, that could erode public confidence in the ability of the Government to manage water resources effectively.

6. Performance measures and evaluation

The Investment Logic Map (Attachment F4) describes the relationship between funded interventions, expected benefits and performance indicators that could be used to measure the intended wellbeing outcomes.

A mid-term review of the Office's operation would be conducted by an independent reviewer using an evaluation framework that aligns with the wellbeing impacts and delivery of key reforms. The evaluation framework would be developed in the first six months of the Office's establishment.

The ACT Water Strategy is proposed to be reviewed during the first year of the Office's function. The Strategy sets targets for delivering outcomes for the water sector. The Office would report annually against strengthened performance measures and targets in the Strategy. Setting annual measures of performance would be drawn from the National Performance Report (Bureau of Meteorology) and an Annual Implementation Plan for the Office.

7. Inter-agency collaboration and stakeholder input to proposal

This is an EPSDD proposal. However, there are cross-agency implications because some policy responsibilities currently residing in other agencies (CMTEDD, EPA) are proposed to be brought into the new Office of Water.

The Water Governance Review formed the basis for the package of reforms proposed within this business case. The Review involved an Advisory Group consisting of all agencies and Icon Water with responsibility for water management (CMTEDD, TCCS/Roads ACT, EPA, Emergency Services Agency (ESA)). The priority package of reform activities and model for the Office of Water was developed with extensive collaboration through the Advisory Group.

The costings and wellbeing analysis was developed by the EPSDD Water Policy team, with review by EPSDD Communications and Business Support teams (costings) and the CMTEDD Wellbeing Team (Wellbeing Impact Assessment).

The Dhawura Ngunnawal Caring for Country Committee have been consulted on proposed reforms and approach to establishing the Office of Water. They agree the need for improvement and are keen to continue discussions with the ACT Government on how the Office can support stronger participation of Ngunnawal people in water planning and management.

EPSDD Water Policy team will ensure the ACT and Region Catchment Management Coordination Group will be kept informed of progress in establishing the Office of Water and implementing the reform agenda.

8. Communications and engagement

There will be further stakeholder engagement and consultation in delivering this proposal. A full communication and stakeholder engagement strategy is proposed to be developed within the first three months of the Office being established, in consultation with the Minister's Office.

Early communications will focus on raising awareness about the new Office, its role and promoting the benefits for water management in the ACT and surrounding region. Targeted public consultation and communications products will be developed as key policies are progressed (e.g., the revised Water Strategy, Ngunnawal Ngadjung Water Initiative, Integrated Water Management Plan and review of Environmental Flow Guidelines).

The Office will be the first point of contact for the public on water information. A new online Water Information Hub is proposed to be built and hosted by the Office. The Information Hub would provide improved public access to all aspects water information within the ACT (including quality, flood, overland flow, water sensitive urban design, groundwater, bores, monitoring sites, compliance etc). By assembling hydrometric and monitoring information from across government in one place the Information Hub will also support improved technical capacity across government and evidenced-based policy and planning.

The Office will communicate with a wide range of stakeholders involved in water management including but not limited to:

- ACT Government Directorates (ESPDD, TCCS, CMTEDD, ACT Health, ESA)
- Utility providers - Icon Water and Queanbeyan-Palerang Regional Council
- ACT statutory positions (Environment Protection Authority, ACT Conservator of Flora and Fauna)
- New South Wales (NSW) Government (NSW Office of Water; NSW Department of Primary Industries and Energy; NSW Environment Protection Authority)
- Murray Darling Basin Authority
- Commonwealth Government (Department of Agriculture Water and the Environment; National Capital Authority)
- ACT and Region Catchment Management Coordination Group (statutory forum under the *Water Resources Act 2007*)
- Non-Government Organisations (e.g., Ginninderra, Molonglo and Southern ACT Catchment Groups; Waterwatch; Upper Murrumbidgee Catchment Network)
- Academic institutions – Australian National University, University of Canberra
- Exiting ACT water licensees
- General public, through occasional use of 'Your Say' site for public consultation on key policy development.

9. Detailed costs

Cost estimates

Detailed cost estimates are at Attachment F5.

Part B: Business Case Authorisations

Capital Works and Plant & Equipment Authorisations (sign-offs essential)

Authorisation	Name, position, signature and date
1. Functional brief/output specifications at [..] are sufficiently progressed in order to go to market under the delivery model selected and within the procurement timeline outlined in the business case.	(IFR/MPC representative) *
2. The benefits/needs analysis is based on evidence.	(Treasury representative) *
3. The delivery model selected is appropriate for the project risk profile and value.	(IFR/MPC representative) *

*This signature does not represent support for the proposal as a spending proposition.

ICT reviews (sign-offs essential)

Responsible area	Name, position, signature and date
1. Business system owner	
2. Budget Assessment Sub Committee	

ATTACHMENT F2 – TIMELINE FOR IMPLEMENTATION OF KEY DELIVERABLES

Key deliverables

Delivery components	**Outputs/ deliverables**	**Key deliverables timeframe**	**Point of assessment** (of deliverables)
Establish the Office	Head of Office of Water (HoOW) recruited	3 months	6 months from establishment of Office
	Recruitment new FTEs	3 months	
	Communications and engagement strategy developed	3 months	
	Program evaluation plan in place that links to wellbeing impact measures.	6 months	
Implement governance reforms	1. Review and adjust Administrative Arrangements to better align with core water, planning, operational and regulatory functions	6 months	3-year mid-term review/ program evaluation
	2. New inter-agency protocols and procedures for resolving cross-cutting issues are in place	6 months	
	3. Recommendations report on how to improve monitoring/reporting approach for reforms and Water Strategy	1 year	
	4. Accountability – WAC is accounted for in annual reporting	2 years	
	5. New protocols for information sharing arrangements between agencies/Icon is in place	1 year	
	6. New guidelines in place regarding information sharing arrangements with public	1 year	
New policy and asset development	1. Water Strategy has been reviewed and updated	1 year	
	2. Integrated Water Management Plan developed	2 years (begin development after Water Strategy revised)	
	3. Ngunnawal Ngadjung Water Initiative developed	1 year	
	4. Ngunnawal Ngadjung Water Initiative implemented	4 years	
	5. Water Information Hub established	2 years	
Conduct assurance reviews	Annual assurance work program	Years 1 - 4	

1. What are the key issues to respond to?

Governance issues were diagnosed against an assessment framework based on the OECD principles on water governance (Appendix A). The issues were tested with the Advisory Group to identify the key issues to respond to. These include the need to address:

- lack of clarity of roles, responsibilities, and accountabilities
- ineffective coordination, and
- inadequate or misaligned capability and capacity (skills, financial and information).

The clarity and coherence of the ACT policy and legislative framework for water management in relation to the vision and objectives in the ACT Water Strategy was also identified as a potential area for reform. However, feedback from the Advisory Group was that this should be considered in the context of the other governance issues raised, and so it is no addressed as a standalone issue in this paper.

A short description of issues and impacts is provided below.

1.1. Roles, responsibilities and accountability

Water sector roles and responsibilities are poorly defined and/or misunderstood (for example, in relation to progressing policy and responses to regional water security, or regional water service augmentation). There are also examples where of current administrative arrangements distribute accountability for outcomes across multiple ministers and agencies (such as for oversight of environmental protection, catchment management, and water quality. This makes it difficult to coordinate strategic or holistic responses to issues due to the number of entities involved. This leads to:

- lack of clarity about core outcomes and activities
- duplication/ fragmentation of roles and responsibilities
- gaps in roles and responsibilities (not performed)
- difficulty assuring performance/ outcomes / managing risks
- poor visibility across outcomes/ shared outcomes
- ineffective decision-making and coordination
- difficulty implementing strategic responses
- insufficient/ misaligned capability and capacity.

1.2. Coordination and decision making

Ineffective inter-agency coordination and decision-making on shared issues/ outcome areas. There is no defined approach across the ACT water sector for raising issues, coordinating decision making and responses, or addressing trade-offs when it comes to multi-stakeholder issues and integrated water management. This also extends to inter-jurisdictional decision making. This leads to:

- imperfect information / narrow stakeholder perspectives in decision making
- inefficient decision making / lack of consensus
- delayed / stalled progress on implementing key actions in the ACT Water Strategy and other shared issues
- a breakdown in communication to internal and external stakeholders as to how these issues are being considered and resolved.

1.3. Capability and capacity

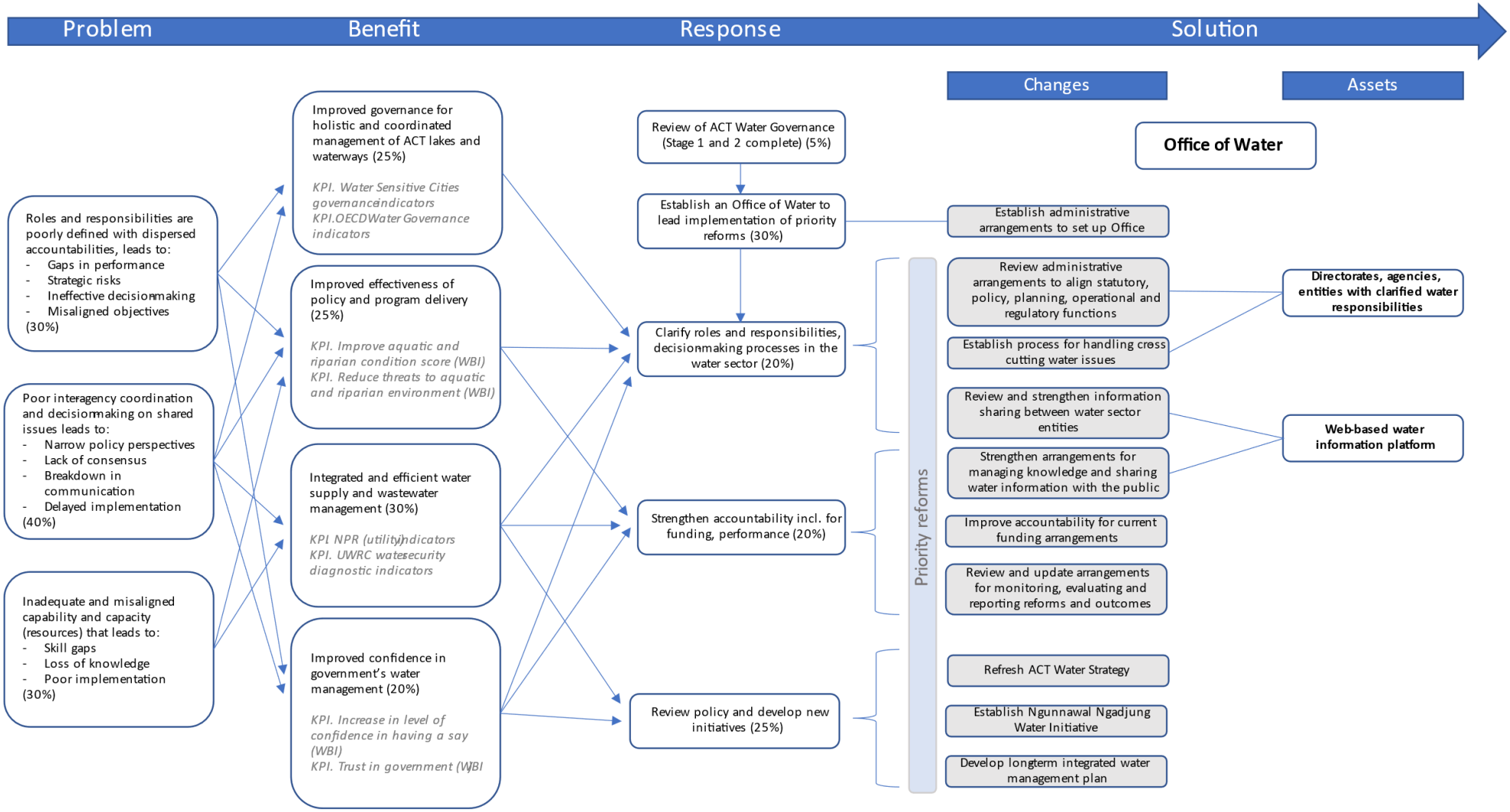
There is inadequate or misaligned capability and capacity (in terms of the quantity and quality of human, financial, and information resources) to implement roles and responsibilities across the sector and deliver on key outcomes and activities within the ACT Water Strategy and cross cutting initiatives. This is hindered by unclear and fragmented roles, responsibilities and accountabilities. This leads to:

- gaps in key skill sets to support policy development and decision making
- reduced ability to attract and retain suitably qualified staff
- lack of sharing of resources and information, and availability of information for decision making
- funding allocation and prioritisation that does not appropriately support desired outcomes
- poor retention of institutional knowledge in the medium to long-term
- duplication of some monitoring and reporting (cost)
- gaps in some monitoring and reporting.

PRIORITY FOUNDATIONAL REFORMS	*Roles, responsibilities and accountabilities*	1. Review and adjust Administrative Arrangements to better align with core water policy, planning, operational and regulatory functions	This is a foundational activity to support other governance reforms, including reviewing and matching capability to core water management roles and responsibilities. This would involve reviewing current Administrative Arrangements and documentation of roles and functions at the agency level for all agencies with water sector responsibilities, and recommending any structural changes required through adjustments to administrative arrangements.
	Coordination	2. Establish a process for decision and policy making for cross-cutting water sector issues	The Office would establish an agreed process between relevant water sector entities for progressing and resolving water cross-cutting water sector issues, including guidance on when consultation and collaboration between agencies should occur, and thresholds for escalating issues for resolution.
	Capacity and capability	3. Review and update arrangements for monitoring, evaluating, and reporting governance reform agenda and outcomes of water strategies	This activity would streamline current agency and entity reporting processes, and provide a consolidated monitoring, evaluating and reporting (MER) framework to assess the implementation of water plans, policies and strategies.
		4. Improve accountability and transparency for current funding arrangements	The reform would support governance arrangements for the allocation of resources to align with priority capacity and capability requirements. This activity would involve mapping existing funding streams and allocations to agencies and establishing monitoring and reporting on funding for water management activities.
		5. Review and strengthen information-sharing arrangements between water sector entities	Access to information is essential for building and retaining corporate knowledge in the longer-term, and supporting agency staff to deliver against their roles and responsibilities. This would identify blockages in information sharing, and the type, format, and frequency of information required to support implementation of water management activities, and recommend agreements and procedures to improve information sharing. This activity should occur after activity 1 (review of Administrative Arrangements).
		6. Review current arrangements for collecting, managing and sharing water information with the public	This activity is integral to enhancing public trust and promoting accountability in management of the ACT's water resources, and a foundational step for establishing

			the Office as the point of contact for the ACT community on water information. The review would inform the scoping of a web-based 'Water Information Hub'.
SECONDARY REFORMS	*Roles, responsibilities and accountabilities*	7. End-to-end regulatory review of core water management legislation	Review of all ACT water legislation to consider whether it is achieving its purpose and whether it supports effective governance or legislative amendments are required. This is not a priority. The Advisory Group agreed that, in general, current water legislation was fit for purpose and that gains could be made in improving the administration and implementation of legislation before an end-to-end review was required. Legislative review could be undertaken as a standalone activity in 3-5 years' time following the implementation of other governance reforms.
	Coordination	8. Establish a new senior water executive forum for coordination on specific issues, for example to progress inter-jurisdictional coordination	The priority reform activity 2 provides for the Office to establish a fit-for-purpose process for improved coordination and decision-making. The nature of any new forum or governance structure will be determined based on the outcome of reform activity 2 and subject to the priority activity.
	Capacity and capability	9. Review capability on as needs basis to identify gaps and match capability to core water management roles and responsibilities	A full sector capability assessment is not warranted at this point in time, however, the process of delineating roles of responsibilities may lead to the identification of capability gaps.
		10. Build capability and capacity through learning and development	Targeted activities to address gaps can identified through other reform activities, including monitoring and reporting on implementation of water plans, policies and strategies.
		11. Investigate and implement sustainable funding mechanisms (strategic financial planning for the sector)	This activity could follow priority reform activity 4 (improved accountability and transparency for current funding arrangements), and explore options to address funding gaps for policies, programs and services. Involves developing an understanding the short, medium and long-term investment needs for the sector, reviewing the funding mechanisms available to both optimise the allocation of existing funding and identify new options and mechansims.

Table 1. Early evaluation framework planning and possible indicators



Investment benefit (from Investment Logic Map)	Estimated timeframe for benefits to start	How will success be measured? Possible KPIs/indicators	How will data be collected?	When will data be collected?
Improved confidence in government's water management	1 year	More informed public on water issues (New measure)	Number of people accessing water information	Baseline - historical requests to EPA / water policy inbox Change – web hits on Water Information Hub, info requests of Office at 1 year, 2 years
	2 years	Increased level of confidence in having a say on water issues (New measure based on WBI '*increase in having a say and being heard*')	Survey through yoursay or similar	Baseline - survey Change - survey at 1 year, 2 years
	2 years	Increased trust in government to manage water issues (New measure, based on WBI '*trust in government*')	Survey through yoursay or similar	Baseline – survey Change – survey at 2 years, 3 years
	1 years	Increased participation of Ngunnawal people in water (New measure)	Consultation with Dhawura Ngunnawal Caring for Country Committee	Baseline – consultation as part of the Governance Review Change –consultation at 1 year, 2 years
Improved governance for holistic and coordinated management of ACT Lakes and Waterways	2 years	Improved water governance (New measure using OECD (2018) Water Governance Indicator Framework)	Multi-stakeholder self-assessment workshop	Baseline – stakeholder workshop in first six months using OECD framework Change – workshop at 3 years
		More water sensitive city (New measure using water sensitive cities index – good water governance indicator)	Multi-stakeholder self-assessment workshop	Baseline - Water Sensitive Cities 2018 Benchmark report (ACT) Change – workshop at 3 years
Integrated and efficient water supply and	3 years	More integrated water supply and wastewater management (New measure on quantity of recycled wastewater supplied to	Icon Water reports annually on quantity recycled water supplied through NPR Framework.	Baseline – 2021/22 measure Change – measure in years 2, 3,4

wastewater management		customers and/or number of customers) Additional measures could be developed using Water Security Definition Diagnostic Indicators, and/or National Performance Reporting Framework (NPR) Indicators)		
Improved effectiveness of policy and program delivery	5 years - decades	Healthier aquatic environment in ACT rivers and lakes (WBI measure - increase in aquatic and riparian condition score)	Timing and method for collecting against this measure TBC with CMTEDD Wellbeing Team	Baseline – 2021/22 score Change – score in year 3
		(WBI measure – reduce threats to aquatic and riparian environment)	Timing and method for collecting against this measure TBC with CMTEDD Wellbeing Team	Baseline – 2021/22 score Change – score in year 3

Attachment 5F - Detailed costing preferred option with offsets

User Guidance for Business Case Costing Template

a. This spreadsheet provides eight sheets (tabs 3 -10) that can be used to provide costing input for the business case.. Tabs that require input from business case preparers are highlighted green.

b. All cells/rows/columns that require input are highlighted in green. Please go through each Tab carefully and provide data input where applicable in green highlighted cells. Other cells are locked and should not be changed

c. **Tab 3 - Recurrent Staff Cost** is for additional FTEs required for delivery of the **expense** component of the proposed project. You are required to input FTE numbers against the correct classificaiton by filling columns C to T.

d. **Tab 4 - Capital Staff Cost** is for additional FTEs required for delivery of the **capital** component of the proposed project. This is generally staff who are building or commissioning the asset (not design work). You are required to input FTE numbers against the correct classificaiton by filling columns C to T.

e. **Tab 5 - Unfunded staffing** is for existing staffing resources that will be utilised for the delivery of the proposal for which no additional funding is being sought.

f. **Tab 6 - Recurrent Supplier Cost** is for non-employee costs asssociated with expense components of the proposal. Examples of the cost breakdown names are provided for reference, please update the cost categories as per resourcing needs of the business case. Please also specify the resource to be engaged within the corporate areas such as fleet costs or equipment in addition to the standard ICT equipment.

You are also required to select the expense type (GBMS Account Name) for each cost category.

g. **Tab 7 - Capital Supplier Cost** is for non-employee costs asssociated with **capital** components of the proposal. Capital should

Provide the basis for costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc)

Construction works are subject to a training levy of 0.2%. A self-assessment is required for each component of the capital works costs against below criteria, and amount to be entered in the specified cells in Tab 7.

Assessment criteria for construction works subject to training levy:

• building and construction works as defined under **Schedule 1** of the *Building and Construction Industry Training Levy Act 1999* are subject to Training Levy (https://www.legislation.act.gov.au/View/a/1999-30/current/html/1999-30.html) – with the following exceptions:

— constructions works that require building approval through EPSDD

— works that may not be construction works in nature such as planning, feasibility studies and design works etc.

h. **Tab 8 - Asset rollout** - Used by busienss areas to indicate when they will complete work in progress and when it will become a completed asset in use. It also captures how long the asset will provide benefit to the govnerment. This will be used for several back end accounting calculations, such as depreciation.

i. **Tab 9 - Revenue, Savings and Offsets** complete when a business case delivers either quantifiable efficiencies, reduction in expenses or demonstrable increase in revenue. Use this tab only if there are realisable offsets and financial benefits in the business case. If agreed by the Cabinet, these savings or offsets will have an impact on the business division's budget.

j. **Tab 10 - Procurement forecast** - Allows for forecast of signing contracts and other procurement activity.

k. After completing all tabs the summary tab will provide a summary of the costing of the business case.

For all enquiries regarding this template, contact EPSDD Budget Co-ordination team at <**EPSDBudgetCo-ordination@act.gov.au**>

EPSDD Business Case Costing Template - Summary

Business Case No:	E14
Business Case Name:	Building a Water Secure City
Output Class	02 Environment
Funding: Ongoing or non-ongoing?	Non-ongoing - subject to mid-term review in 2025
Cross Directorate Impact (pick from the drop-down list)	
Has a component of DSGC? (Yes/No)	No

Financial Impact Summary	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Capital Impact					
Capital (staff and supplier)	-	-	-	-	**-**
Expense Impacts (a)					
Expenses (staff and supplier)	2,309	3,283	3,400	3,316	**12,308**
Expenses - Depreciation/Amortisation	-	-	-	-	**-**
Revenue/Savings/Offsets Impacts					
Revenue	-	-	-	-	**-**
Savings	-	-	-	-	**-**
Offsets (b)	- 928	- 1,727	- 1,754	- 1,780	**- 6,189**

Staffing Impact	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**Total $'000**
FTE	9.0	13.0	13.0	13.0	
Offset from existing FTE/Internal funding	4.0	8.0	8.0	8.0	
Net additional FTE	**5.0**	**5.0**	**5.0**	**5.0**	
Capital staffing costs ($'000)	-	-	-	-	-
Recurrent staffing costs ($'000)	1,521	2,183	2,225	2,266	5,977
Offsets from existing funding ($'000)	778	1,427	1,454	1,480	2,920
Net additional Recurrent staffing costs ($'000)	**743**	**756**	**771**	**786**	**3,057**

The information contained in this table should feed into the Business Case Financial Impacts Summary table.

(a) For capital works proposals, this should be the whole of life cost.

(b) Applies also to expenses associated with capital works and ICT proposals, with the exception of Repairs and Maintenance expenses

CABINET

2021-22 AVERAGE SALARY COSTING TEMPLATE (Whole of Government) - Recurrent cost for new FTE

Instructions

This template should be used for employees not constructing or contributing to the construction of an asset

Complete each year full time equivalent employees required in each month by putting the number of employees in columns C to N

You need to repeat this for each financial year. Scroll down for future financial years. You will have to complete four years of data. The final year will be the basis of any ongoing positions.

Indicate in column P if the position is temporary or ongoing. If There are two positions and one is ongoing and one isn't indicate this in text (eg "Of the two SOG C one is ongoing and one is for 2022-23 only)

To asssit with internal budgeting (and to ensure correct alignment in your budget), indicate what cost centers. The Error check in column U will indicate if you haven't done. If you need a new cost centre please enter "new".

If unsure enter "TBA".

Position level	FTE BY MONTH													Employment Type (temp/ ongongoing)	Cost Centre Percent Split				Total (%) Cell should not exceed 100%	Error check for allocation
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Total FTE		12111	12360				
OG C	1	1	1	1	1	1	2	2	2	2	2	2	1.5	Ongoing	67%	33%			100%	Allocated

Results of the costs are calculated and displayed in column AG to AN. Summary of results are displayed at the bottom of this sheet.

Assumptions

All salary rates are based on rates as at 30 June 2021 and includes all direct costs for the employee (super and leave)

Administrative costs associated with increased FTE (ie Corporate costs) are included

ANY OTHER COSTS, such as training, professional memberships and other non-standard staff support, MUST be entered in the supplier costs tab

Position level	FTE BY MONTH													Employment Type (temp/ ongongoing)	Cost centre splits				Total (%) Cell should not exceed 100%	Error check for allocation
	Jul-2022	Aug - 2022	Sept-2022	Oct -2022	Nov -2022	Dec -2022	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Total FTE		12173					
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2022-23

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	478,311
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	264,788
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0
	5.0	743,098

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

Cost centre split $				
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Position level	FTE BY MONTH													Employment Type (temp/ ongongoing)	Cost centre splits				Total (%) Cell should not exceed 100%	Error check for allocation
	Jul-2023	Aug - 2023	Sept-2023	Oct -2023	Nov -2023	Dec -2023	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Total FTE		12173					
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	3 ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	2 ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2023-24 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	486,712
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	269,442
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0
	5.0	756,153

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

12173	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
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Position level	FTE BY MONTH													Employment Type (temp/ ongongoing)	Cost centre splits				Total (%) Cell should not exceed 100%	Error check for allocation
	Jul-2024	Aug - 2024	Sept-2024	Oct -2024	Nov -2024	Dec -2024	Jan -25	Feb -25	Mar -25	Apr -25	May -25	Jun -25	Total FTE		12173					
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	3 ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	2 ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2024-25 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	496,318
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	274,745
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0
	5.0	771,063

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

12173	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
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$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

Position level	FTE BY MONTH													Employment Type (temp/ ongongoing)	Cost centre splits				Total (%) Cell should not exceed 100%	Error check for allocation
	Jul-2025	Aug - 2025	Sept-2025	Oct -2025	Nov -2025	Dec -2025	Jan -26	Feb -26	Mar -26	Apr -26	May -26	Jun -26	Total FTE		12173					
INFRA 1													0.0						0%	
INFRA 2													0.0						0%	
INFRA 3													0.0						0%	
INFRA 4													0.0						0%	
INFRA 5													0.0						0%	
SOG C	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing	100%				100%	Allocated
SOG B													0.0						0%	
SOG A													0.0						0%	
ASO 1													0.0						0%	
ASO 2													0.0						0%	
ASO 3													0.0						0%	
ASO 4													0.0						0%	
ASO 5													0.0						0%	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing	100%				100%	Allocated
Ranger 1													0.0						0%	
Ranger 2													0.0						0%	
Ranger 3													0.0						0%	
SOG C(T)													0.0						0%	
SOG B(T)													0.0						0%	
Technical Officer 1													0.0						0%	
Technical Officer 2													0.0						0%	
Technical Officer 3													0.0						0%	
Technical Officer 4													0.0						0%	
SPO C													0.0						0%	
SPO B													0.0						0%	
SPO A													0.0						0%	
Park Ranger 1													0.0						0%	
Park Ranger 2													0.0						0%	
Park Ranger 3													0.0						0%	
PO1													0.0						0%	
PO2													0.0						0%	
GSO 2													0.0						0%	
GSO 3													0.0						0%	
GSO 4													0.0						0%	
GSO 5													0.0						0%	
GSO 6													0.0						0%	
GSO 7													0.0						0%	
GSO 8													0.0						0%	
GSO 9													0.0						0%	
GSO 10													0.0						0%	

2025-26 Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	3.0	506,114
SOG B	0.0	0
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	280,153
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

12173	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
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$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -

Formula based, no input required

Impacts	2022-23	2023-24	2024-25	2025-26	Total
$	743,098	756,153	771,063	786,267	3,056,581
FTE	5.0	5.0	5.0	5.0	

The above calculations include administrative on-cost for new employees. If there is any additional admin on-costs that are relevant to the recurrent staff cost please include those expenses in Recurrent Supplier Cost tab.

5.0	786,267

CABINET

THIS OPTION DOES NOT PROVIDE FUNDING FOR STAFF. ONLY Complete the below template for existing resources being used to support the initative.

Instructions

The purpose of this template is to assist in providing a complete cost for the project. Employees costs will not be included in the normal business case summary.
Complete each year full time equivalent employees required in each month by putting the number of employees in columns C to N
You need to repeat this for each financial year. Scroll down for future financial years. You will have to complete four years of data. The final year will be the basis of any ongoing positions.
Indicate in column P if the position is temporary or ongoing. If There are two positions and one is ongoing and one isn't indicate this in text (eg "Of the two SOG

Results of the costs are calculated and displayed in column AG to AN. Summary of results are displayed at the bottom of this sheet.

Assumptions
EPSDD doesn't require funding for employees entered into the template
All salary rates are based on rates as at 30 June 2021 and includes all direct costs for the employee (super and leave)
Administrative costs associated with increased FTE (ie Corporate costs) are included
ANY OTHER COSTS, such as training, professional memberships and other non-standard staff support, MUST be entered in the supplier costs tab

* Position by each classification can be split for up to 5 cost centre (Use drop down option to select your cost centre from cell AE18 - AI18)
IF you don't require position splitting between multiple cc, you don't require to complete following table

2022-23

Position level	Jul-2022	Aug - 2022	Sept-2022	Oct -2022	Nov -2022	Dec - 2022	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Total FTE	Ongoing or Non ongoing?
														e.g. Ongoing from March 2022
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C							1	1	1	1	1	1	0.5	ongoing
SOG B							3	3	3	3	3	3	1.5	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6							2	2	2	2	2	2	1.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4													0.0	
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	0.5	79,718
SOG B	1.5	279,254
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	1.0	132,394
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	0.0	0
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

3.0	491,366

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

2023-24

Position level	Jul-2023	Aug - 2023	Sept-2023	Oct -2023	Nov -2023	Dec - 2023	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Total FTE	Ongoing or Non ongoing?
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SOG B	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	162,237
SOG B	3.0	568,312
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	269,442
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	136,983
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

7.0	1,136,974

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

2024-25

Position level	Jul-2024	Aug - 2024	Sept-2024	Oct -2024	Nov -2024	Dec - 2024	Jan -25	Feb -25	Mar -25	Apr -25	May -25	Jun -25	Total FTE	Ongoing or Non ongoing?
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SOG B	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

2023-2024 — Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	165,489
SOG B	3.0	579,700
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	274,845
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	139,730
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Comcare Premiums tab)

7.0	1,159,764

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

2025-26

Position level	Jul-2025	Aug - 2025	Sept-2025	Oct -2025	Nov -2025	Dec - 2025	Jan -26	Feb -26	Mar -26	Apr -26	May -26	Jun -26	Total FTE	Ongoing or Non ongoing?
INFRA 1													0.0	
INFRA 2													0.0	
INFRA 3													0.0	
INFRA 4													0.0	
INFRA 5													0.0	
SOG C	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SOG B	3	3	3	3	3	3	3	3	3	3	3	3	3.0	ongoing
SOG A													0.0	
ASO 1													0.0	
ASO 2													0.0	
ASO 3													0.0	
ASO 4													0.0	
ASO 5													0.0	
ASO 6	2	2	2	2	2	2	2	2	2	2	2	2	2.0	ongoing
Ranger 1													0.0	
Ranger 2													0.0	
Ranger 3													0.0	
SOG C(T)													0.0	
SOG B(T)													0.0	
Technical Officer 1													0.0	
Technical Officer 2													0.0	
Technical Officer 3													0.0	
Technical Officer 4	1	1	1	1	1	1	1	1	1	1	1	1	1.0	ongoing
SPO C													0.0	
SPO B													0.0	
SPO A													0.0	
Park Ranger 1													0.0	
Park Ranger 2													0.0	
Park Ranger 3													0.0	
PO1													0.0	
PO2													0.0	
GSO 2													0.0	
GSO 3													0.0	
GSO 4													0.0	
GSO 5													0.0	
GSO 6													0.0	
GSO 7													0.0	
GSO 8													0.0	
GSO 9													0.0	
GSO 10													0.0	

2024-25 — Formula based, no input required

Position Level	Number of Staff (FTE) (j)	Total Costs (i) x (j) = (k)
INFRA 1	0.0	0
INFRA 2	0.0	0
INFRA 3	0.0	0
INFRA 4	0.0	0
INFRA 5	0.0	0
SOG C	1.0	168,705
SOG B	3.0	591,011
SOG A	0.0	0
ASO 1	0.0	0
ASO 2	0.0	0
ASO 3	0.0	0
ASO 4	0.0	0
ASO 5	0.0	0
ASO 6	2.0	280,153
Ranger 1	0.0	0
Ranger 2	0.0	0
Ranger 3	0.0	0
SOG C(T)	0.0	0
SOG B(T)	0.0	0
Technical Officer 1	0.0	0
Technical Officer 2	0.0	0
Technical Officer 3	0.0	0
Technical Officer 4	1.0	142,430
SPO C	0.0	0
SPO B	0.0	0
SPO A	0.0	0
Park Ranger 1	0.0	0
Park Ranger 2	0.0	0
Park Ranger 3	0.0	0
PO1	0.0	0
PO2	0.0	0
GSO 2	0.0	0
GSO 3	0.0	0
GSO 4	0.0	0
GSO 5	0.0	0
GSO 6	0.0	0
GSO 7	0.0	0
GSO 8	0.0	0
GSO 9	0.0	0
GSO 10	0.0	0

7.0	1,182,299

Cost Center Percent Split / Dollar Split

Total (%) Cell should not exceed 100%	0	0	0	0	0	Total ($) (Cell 'AP' needs to be matching with Cell 'L')
0%	$ -	$ -	$ -	$ -	$ -	$ -

Formula based, no input required

Impacts	2022-23	2023-24	2024-25	2025-26	Total
Supplier	150,000.00	300,000.00	300,000.00	300,000.00	1,050,000.00
$	641,366	1,436,974	1,459,764	1,482,299	3,970,403
FTE	3.0	7.0	7.0	7.0	

24.0	3,970,403

The below administrative on-cost for new emplovees are included in the staff cost calculation.

2022-23 AVERAGE SALARY COSTING TEMPLATE (Executive)

Assumptions

New staff superannuation rates have been applied as indicated.

The FBT vehicle allowance does not form part of salaries for the purposes of calculating superannuation entitlements

2022-23

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	158,818	24,000	182,818	21,024	7,500	4,758	1.44%	2,740.6	21,338	240,179		0
Level 1.2	172,249	24,000	196,249	22,569	7,500	5,094	1.44%	2,934.0	21,338	255,683		0
Level 1.3	185,671	24,000	209,671	24,112	7,500	5,429	1.44%	3,127.3	21,338	271,178		0
Level 1.4	199,039	24,000	223,039	25,649	7,500	5,763	1.44%	3,319.8	21,338	286,610	1.0	286,610
Level 2.1	212,527	24,500	237,027	27,258	7,500	6,113	1.44%	3,521.2	21,338	302,757		0
Level 2.2	231,249	24,500	255,749	29,411	7,500	6,581	1.44%	3,790.8	21,338	324,370		0
Level 2.3	249,963	24,500	274,463	31,563	7,500	7,049	1.44%	4,060.3	21,338	345,974		0
Level 2.4	268,758	24,500	293,258	33,725	7,500	7,519	1.44%	4,330.9	21,338	367,671		0
Level 3.1	287,561	25,000	312,561	35,945	7,500	8,002	1.44%	4,608.9	21,338	389,954		0
Level 3.2	299,098	25,000	324,098	37,271	7,500	8,290	1.44%	4,775.0	21,338	403,272		0
Level 3.3	310,970	25,000	335,970	38,637	7,500	8,587	1.44%	4,946.0	21,338	416,977		0
Level 3.4	322,663	25,000	347,663	39,981	7,500	8,879	1.44%	5,114.3	21,338	430,476		0
Level 4.1	334,258	25,500	359,758	41,372	7,500	9,181	1.44%	5,288.5	21,338	444,438		0
Level 4.2	343,922	25,500	369,422	42,484	7,500	9,423	1.44%	5,427.7	21,338	455,594		0
Level 4.3	356,325	25,500	381,825	43,910	7,500	9,733	1.44%	5,606.3	21,338	469,912		0
Level 4.4	388,391	25,500	413,891	47,597	7,500	10,535	1.44%	6,068.0	21,338	506,929		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**286,610**

2023-24

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	160,883	24,312	185,195	21,297	7,598	4,820	1.44%	2,776.2	21,615	243,301		0
Level 1.2	174,488	24,312	198,800	22,862	7,598	5,160	1.44%	2,972.1	21,615	259,007		0
Level 1.3	188,085	24,312	212,397	24,426	7,598	5,500	1.44%	3,167.9	21,615	274,703		0
Level 1.4	201,627	24,312	225,939	25,983	7,598	5,838	1.44%	3,362.9	21,615	290,336	1.0	290,336
Level 2.1	215,290	24,819	240,108	27,612	7,598	6,193	1.44%	3,567.0	21,615	306,693		0
Level 2.2	234,255	24,819	259,074	29,793	7,598	6,667	1.44%	3,840.1	21,615	328,587		0
Level 2.3	253,213	24,819	278,031	31,974	7,598	7,141	1.44%	4,113.1	21,615	350,471		0
Level 2.4	272,252	24,819	297,070	34,163	7,598	7,617	1.44%	4,387.2	21,615	372,450		0
Level 3.1	291,299	25,325	316,624	36,412	7,598	8,106	1.44%	4,668.8	21,615	395,023		0
Level 3.2	302,986	25,325	328,311	37,756	7,598	8,398	1.44%	4,837.1	21,615	408,515		0
Level 3.3	315,013	25,325	340,338	39,139	7,598	8,698	1.44%	5,010.3	21,615	422,398		0
Level 3.4	326,858	25,325	352,183	40,501	7,598	8,995	1.44%	5,180.8	21,615	436,072		0

Level 4.1	338,603	25,832	364,435	41,910	7,598	9,301	1.44%	5,357.3	21,615	450,216		0
Level 4.2	348,393	25,832	374,224	43,036	7,598	9,546	1.44%	5,498.2	21,615	461,517		0
Level 4.3	360,957	25,832	386,789	44,481	7,598	9,860	1.44%	5,679.2	21,615	476,021		0
Level 4.4	393,440	25,832	419,272	48,216	7,598	10,672	1.44%	6,146.9	21,615	513,519		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**290,336**

2024-25

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	162,974	24,628	187,602	21,574	7,696	4,882	1.44%	2,812.3	21,896	246,464		0
Level 1.2	176,757	24,628	201,385	23,159	7,696	5,227	1.44%	3,010.8	21,896	262,374		0
Level 1.3	190,530	24,628	215,158	24,743	7,696	5,571	1.44%	3,209.1	21,896	278,274		0
Level 1.4	204,248	24,628	228,876	26,321	7,696	5,914	1.44%	3,406.6	21,896	294,110	1.0	294,110
Level 2.1	218,089	25,141	243,230	27,971	7,696	6,273	1.44%	3,613.3	21,896	310,680		0
Level 2.2	237,301	25,141	262,442	30,181	7,696	6,753	1.44%	3,890.0	21,896	332,859		0
Level 2.3	256,504	25,141	281,645	32,389	7,696	7,234	1.44%	4,166.5	21,896	355,027		0
Level 2.4	275,791	25,141	300,932	34,607	7,696	7,716	1.44%	4,444.3	21,896	377,292		0
Level 3.1	295,086	25,654	320,740	36,885	7,696	8,211	1.44%	4,729.5	21,896	400,159		0
Level 3.2	306,925	25,654	332,579	38,247	7,696	8,507	1.44%	4,900.0	21,896	413,825		0
Level 3.3	319,108	25,654	344,762	39,648	7,696	8,811	1.44%	5,075.4	21,896	427,889		0
Level 3.4	331,107	25,654	356,761	41,028	7,696	9,111	1.44%	5,248.2	21,896	441,741		0
Level 4.1	343,005	26,167	369,173	42,455	7,696	9,422	1.44%	5,426.9	21,896	456,069		0
Level 4.2	352,922	26,167	379,089	43,595	7,696	9,670	1.44%	5,569.7	21,896	467,517		0
Level 4.3	365,650	26,167	391,817	45,059	7,696	9,988	1.44%	5,753.0	21,896	482,209		0
Level 4.4	398,555	26,167	424,722	48,843	7,696	10,810	1.44%	6,226.8	21,896	520,195		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**294,110**

2025-26

Executive Level	Salary (a)	Additional Salary - Vehicle Entitlement** (b)	Total Salary for Superannuation Purposes (c)	Superannuation (11.5%) (d)	FBT Vehicle Allowance (e)	LSL [(c) + (e)] x 2.5% = (f)	Workers' Comp Rate* (g)	Total Workers Comp [(c) + (e)] x (g) = (h)	Admin On-Costs (i)	Total Unit Cost (c) + (d) + (e) + (f) + (h) + (i) = (j)	Number of Staff (FTE) (k)	Total Costs (j) x (k) = (l)
Level 1.1	165,093	24,948	190,041	21,855	7,796	4,946	1.44%	2,848.9	22,181	249,668		0
Level 1.2	179,054	24,948	204,003	23,460	7,796	5,295	1.44%	3,049.9	22,181	265,785		0
Level 1.3	193,007	24,948	217,955	25,065	7,796	5,644	1.44%	3,250.8	22,181	281,892		0
Level 1.4	206,903	24,948	231,851	26,663	7,796	5,991	1.44%	3,450.9	22,181	297,933	1.0	297,933
Level 2.1	220,924	25,468	246,392	28,335	7,796	6,355	1.44%	3,660.3	22,181	314,719		0
Level 2.2	240,385	25,468	265,853	30,573	7,796	6,841	1.44%	3,940.6	22,181	337,186		0
Level 2.3	259,839	25,468	285,307	32,810	7,796	7,328	1.44%	4,220.7	22,181	359,643		0
Level 2.4	279,376	25,468	304,844	35,057	7,796	7,816	1.44%	4,502.0	22,181	382,197		0
Level 3.1	298,922	25,988	324,910	37,365	7,796	8,318	1.44%	4,791.0	22,181	405,361		0
Level 3.2	310,915	25,988	336,903	38,744	7,796	8,617	1.44%	4,963.7	22,181	419,205		0

Level 3.3	323,256	25,988	349,244	40,163	7,796	8,926	1.44%	5,141.4	22,181	433,452		0
Level 3.4	335,411	25,988	361,399	41,561	7,796	9,230	1.44%	5,316.4	22,181	447,483		0
Level 4.1	347,464	26,507	373,972	43,007	7,796	9,544	1.44%	5,497.5	22,181	461,998		0
Level 4.2	357,510	26,507	384,018	44,162	7,796	9,795	1.44%	5,642.1	22,181	473,594		0
Level 4.3	370,403	26,507	396,911	45,645	7,796	10,118	1.44%	5,827.8	22,181	488,478		0
Level 4.4	403,736	26,507	430,244	49,478	7,796	10,951	1.44%	6,307.8	22,181	526,958		0

*The applicable Workers' Compensation rate should be used. The figure is a percentage of the average salary (found on the Workers' Comp Rate tab)

**Additional annual salary payable following changes to the PSM Standards on 23 December 2021 - Executive Vehicle Entitlements

Total	**1.0**	**297,933**

Overall Total	**1,168,989**

2022-23	**2023-24**	**2024-25**	**2025-26**
286,610	**290,336**	**294,110**	**297,933**
1.0	**1.0**	**1.0**	**1.0**

Recurrent Supplier Costs

Note:

- below listed supplier costs are examples only. Please update them as per your business case resourcing requirements.
- if engaging contractor(s), please explain why this can't be done by internal staff, and what tasks/objectives will be undertaken or achieved.
- identify corporate FTEs as corporate support in below table if they are heavily involved.
- Please manually enter estimated cost into the relevant month in green cells.
- Provide the basis for all your costing estimates ie what is driving the costing numbers (these may include quotations, cost of similar projects previously completed etc) in the Basis for Cost Estimate column

2021-22			Manual input for projected phasing											
Supplier Costs (recurrent)*	**Full 2021-22**	**GBMS Account Name (pick from dropdown)**	**Jul-21**	**Aug-21**	**Sep-21**	**Oct-21**	**Nov-21**	**Dec-21**	**Jan-22**	**Feb-22**	**Mar-22**	**Apr-22**	**May-22**	**Jun-22**	**Basis for Cost Estimate**
Planning & Design	25,000	Supplies and Services	25,000	-	-	-	-	-	-	-	-	-	-	-	Based on previous project, environmental offsets, which was similar
Stakeholder Engagement	50,000	Supplies and Services	-	-	-	-	-	-	-	-	-	-	-	50,000	Estimated cost of hiring venue $10,000 per venue for 2 hour meeting. 5 meetings purposed
Other employee costs	7,100	Supplies and Services	1,000	100	-	-	5,000	-	-	-	-	1,000	-	-	Training of employees
Total Supplier Cost (recurrent)	82,100		**26,000**	**100**	-	-	**5,000**	-	-	-	-	**1,000**	-	**50,000**	

Account Listing for Recurrent Supplier Cost

Other supplier expenses
Consultants, Contractors and Professional Services
Communication and Computer Expenses
Grants
Repairs and Maintenace
Material, Equipment and Supplies
Staff Development and Recruitment
Travel
Other Expenses

2022-23			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2022-23**	**GBMS Account Name (pick from dropdown)**	**Jul-2022**	**Aug-2022**	**Sept-2022**	**Oct-2022**	**Nov-2022**	**Dec-2022**	**Jan-23**	**Feb-23**	**Mar-23**	**Apr-23**	**May-23**	**Jun-23**	**Basis for Cost Estimate**
Project Set Up	-														$340/hr for consultancies to develop new policy
Planning & Design	-														Set-up costs included against contractor and consults
Contractor and consults	500,000	Consultants, Contractors and Professional Services							500,000						Change Management and establishment; Water Information Hub (business analysis & build - costing based on advice from EPSDD Communications Team); Hydrological model update for climate/water resource analysis; investigating water entitlements for Ngunnawal TC. Consultancies, contractors for new initiatives
Stakeholder Engagement	125,000	Consultants, Contractors and Professional Services							125,000						Consultation on development of new policy initiatives, including Ngunnawal engagement. These cost $380pp/session and an estimate of 20 community members
Grant costs	-														
Purchase of equipment	-														
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs (training)	12,500	Staff Development and Rec	12,500												To run recruitment processes, build capacity of new staff
IT system subscription/license fees	-		-	-	-	-	-	-	-	-	-	-	-	-	
	-		-	-	-	-	-	-	-	-	-	-	-	-	
Training levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	637,500		**12,500**	-	-	-	-	-	**625,000**	-	-	-	-	-	

2023-24			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2023-24**	**GBMS Account Name (pick from dropdown)**	**Jul-2023**	**Aug-2023**	**Sept-2023**	**Oct-2023**	**Nov-2023**	**Dec-2023**	**Jan-24**	**Feb-24**	**Mar-24**	**Apr-24**	**May-24**	**Jun-24**	
Project Set Up	-														
Due Diligence	-														
Planning & Design	500,000	Consultants, Contractors and Professional Services							500,000						Consultants, contractors to deliver new initiatives - water information hub (data management and analysis), hydrological analysis to support water planning and cultural
Stakeholder Engagement	125,000	Consultants, Contractors and Professional Services							125,000						Consultation on development of new policy initiatives, including Ngunnawal engagement - cost based on previous
Risk Management	50,000	Consultants, Contractors ar	50,000												Consultancy fees to support reform implementation (e.g. review of monitoring and evaluation frameworks)
Project closure	100,000	Communication and Compu	100,000												Communication, publication, IT fees for uplift and build of Water Information hub, consultation
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs	25,000	Staff Development and Rec	25,000												Build capacity and capability of staff
IT system subscription/license fees	-														
IT system maintenance	-														
Training Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	800,000		**175,000**	-	-	-	-	-	**625,000**	-	-	-	-	-	

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2024-25			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2024-25**	**GBMS Account Name (pick from dropdown)**	**Jul-2024**	**Aug-2024**	**Sept-2024**	**Oct-2024**	**Nov-2024**	**Dec-2024**	**Jan-25**	**Feb-25**	**Mar-25**	**Apr-25**	**May-25**	**Jun-25**	
Project Set Up	-														
Due Diligence	-														
Planning & Design	500,000	Consultants, Contractors and Professional Services							500,000						Consultancies, contractors to deliver new initiatives - refer at
Stakeholder Engagement	125,000	Consultants, Contractors and Professional Services							125,000						Consultation on development of new policy initiatives, includ
Risk Management	125,000	Consultants, Contractors ar	50,000									75,000			Consultancy fees to support reform implementation, indepe
Project closure	100,000	Communication and Compu	100,000												Communication, publication, IT fees for uplift and build of inf
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs	25,000	Staff Development and Rec	25,000												To build capacity and capability of staff
IT system subscription/license fees	-														
IT system maintenance	-														
Training Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	875,000		**175,000**	**-**	**-**	**-**	**-**	**-**	**625,000**	**-**	**-**	**75,000**	**-**	**-**	

2025-26			Manual input for projected phasing												
Supplier Costs (recurrent)*	**Full 2025-26**	**GBMS Account Name (pick from dropdown)**	**Jul-2025**	**Aug-2025**	**Sept-2025**	**Oct-2025**	**Nov-2025**	**Dec-2025**	**Jan-26**	**Feb-26**	**Mar-26**	**Apr-26**	**May-26**	**Jun-26**	
Project Set Up	-														
Due Diligence	-														
Planning & Design	450,000	Consultants, Contractors and Professional Services							450,000						Consultancies, contractors to deliver new initiatives - refer at
Stakeholder Engagement	175,000	Consultants, Contractors and Professional Services							175,000						Consultation on development of new policy initiatives, includ
Risk Management	50,000	Consultants, Contractors ar	50,000												Consultancy fees to support reform implementation
Project closure	50,000	Communication and Compu	50,000												Brand and creative development, engagement, production
Project review and assessment	-														
Corporate support such as Fleet	-														
Other employee costs	25,000	Staff Development and Rec	25,000												To build capacity and capabiltiy of staff
IT system subscription/license fees	-														
IT system maintenance	-														
Training Levy	-		-	-	-	-	-	-	-	-	-	-	-	-	
Total Supplier Cost (recurrent)	750,000		**125,000**	**-**	**-**	**-**	**-**	**-**	**625,000**	**-**	**-**	**-**	**-**	**-**	

Formuala driven - no input required

	2022-23	**2023-24**	**2024-25**	**2025-26**	**Total**
Supplies and Services	-	-	-	-	-
Consultants, Contractors and Profession	625,000	675,000	750,000	675,000	2,725,000
Staff Development and Recruitment	12,500	25,000	25,000	25,000	87,500
Repairs and Maintenace	-	-	-	-	-
Grants	-	-	-	-	-
Communication and Computer Expenses	-	100,000	100,000	50,000	250,000
Travel	-	-	-	-	-
Material, Equipment and Supplies	-	-	-	-	-
Other Expenses	-	-	-	-	-
Total	**637,500**	**800,000**	**875,000**	**750,000**	**3,062,500**

Check against each year's total	**Okay**	**Okay**	**Okay**	**Okay**	**Okay**

GBMS Account Code
702101 - Supplies and Services
702105 - Consultants, Contractors and Professional Services
702115 - Staff Development and Recruitment
702104 - Repairs and Maintenance
706101 - Current Grant (Non ACT Government)
702110 - Communication and Computer Expenses
702111 - Travel, Accommodation and Transport Expenses
702113 - Material, Equipment and Supplies
703311 - Other Expenses

1,521	**2,183**	**2,225**	**2,266**	**8,195**
150	300	300	300	1,050
625	675	750	725	2,775
13	25	25	25	88
0	100	100	100	300
2,309	3,283	3,400	3,416	12,408

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Fill in the Revenue, Savings and Offsets per financial year in the table below
Provide commentary around the Revenue, Savings and Offsets field in column 'G'
For e.g. If there's any Savings associated with the BC please highlight that in here/ If there is any Offsets to the associated BC that's coming to closure, it would be justified by referencing the BC name and numbe

	2022-23	2023-24	2024-25	2025-26	Total	Justification
Revenue	-	-	-	-	-	
Savings	-	-	-	-	-	
Offsets	- 927,976	- 1,727,310	- 1,753,874	- 1,780,232	**- 6,189,392**	**Offset of executive and staff members.**
Overall Total Revenue	**- 927,976**	**- 1,727,310**	**- 1,753,874**	**- 1,780,232**	**- 6,189,392**	

		Budget year 2022-23	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27
Salary Growth Rate	WPI rates from TSY	1.75%	1.75%	2.00%	2.00%	
Superannuation Rate		11.50%	11.50%	11.50%	11.50%	
LSL/LL		4%	4%	4%	4%	
Works compensation		1.66%	1.66%	1.66%	1.66%	
Admin		20,961	21,338	21,772	22,113	

Salary rates:

Base year	
INFRA 1	78,172
INFRA 2	92,045
INFRA 3	114,891
INFRA 4	137,805
INFRA 5	154,023
SOG C	116,161
SOG B	138,586
SOG A	153,040
ASO 1	54,816
ASO 2	62,095
ASO 3	69,373
ASO 4	78,433
ASO 5	86,168
ASO 6	93,476
Ranger 1	62,655
Ranger 2	70,019
Ranger 3	78,089
SOG C(T)	122,136
SOG B(T)	140,540
Technical Officer 1	63,824
Technical Officer 2	72,495
Technical Officer 3	84,199
Technical Officer 4	95,341
SPO C	122,136
SPO B	140,540
SPO A	155,200
Park Ranger 1	71,197
Park Ranger 2	79,540
Park Ranger 3	86,204
PO1	83,028
PO2	98,048
GSO 2	51,484
GSO 3	54,504
GSO 4	57,285
GSO 5	61,055
GSO 6	63,967
GSO 7	69,330
GSO 8	75,178
GSO 9	82,532
GSO 10	95,341

The above calculations include administrative on-cost for new employees. If there is any additional admin on-costs that are relevant to the recurrent staff cost please include those expenses in Recurrent Supplier Cost tab.

***Administrative On-Cost**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Administrative Component (including items such as desktop IT items and support, accommodation, insurance, training etc)	$ 18,142	$ 18,469	$ 18,801	$ 19,183	$ 19,484
Corporate Component (Human Resource and Finance Services)	$ 2,448	$ 2,492	$ 2,537	$ 2,589	$ 2,629
Total Admin ON-Cost	$ 20,590	$ 20,961	$ 21,338	$ 21,772	$ 22,113

CABINET

Salary Split for GBSM Entry

	Recurrent Salaries			
	2021-22	2022-23	2023-24	2024-25
Wages	544,805	554,339	565,426	576,734
LSL	5,029	5,117	5,219	5,324
AL	16,763	17,057	17,398	17,746
Comcare	9,044	9,202	9,386	9,574
Super	62,653	63,749	65,024	66,324
Oncosts	104,805	106,690	108,860	110,565
Total	743,098	756,153	771,063	786,267
Variance	0	0	-250	0

	Capitalised Salaries			
	2021-22	2022-23	2023-24	2024-25
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	-	-	-	-
	0	0	0	0
	0	0	0	0

Recurrent	2021-22						2022-23						2023-24						2024-25					
Level	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt
INFRA 1	79,540	-	-	-	1.66%	-	80,932	-	-	-	1.66%	-	82,551	-	-	-	1.66%	-	84,202	-	-	-	1.66%	-
INFRA 2	93,656	-	-	-	1.66%	-	95,295	-	-	-	1.66%	-	97,201	-	-	-	1.66%	-	99,145	-	-	-	1.66%	-
INFRA 3	116,901	-	-	-	1.66%	-	118,947	-	-	-	1.66%	-	121,326	-	-	-	1.66%	-	123,753	-	-	-	1.66%	-
INFRA 4	140,217	-	-	-	1.66%	-	142,671	-	-	-	1.66%	-	145,524	-	-	-	1.66%	-	148,434	-	-	-	1.66%	-
INFRA 5	156,718	-	-	-	1.66%	-	159,461	-	-	-	1.66%	-	162,650	-	-	-	1.66%	-	165,903	-	-	-	1.66%	-
SOG C	118,194	118,194	3.0	354,581.5	1.66%	5,886	120,262	120,262	3.0	360,786.7	1.66%	5,989	122,667	122,667	3.0	368,002.4	1.66%	6,109	125,121	125,121	3.0	375,362.4	1.66%	6,231
SOG B	141,011	-	-	-	1.66%	-	143,478	-	-	-	1.66%	-	146,348	-	-	-	1.66%	-	149,275	-	-	-	1.66%	-
SOG A	155,719	-	-	-	1.66%	-	158,444	-	-	-	1.66%	-	161,613	-	-	-	1.66%	-	164,845	-	-	-	1.66%	-
ASO 1	55,775	-	-	-	1.66%	-	56,751	-	-	-	1.66%	-	57,886	-	-	-	1.66%	-	59,044	-	-	-	1.66%	-
ASO 2	63,182	-	-	-	1.66%	-	64,287	-	-	-	1.66%	-	65,573	-	-	-	1.66%	-	66,884	-	-	-	1.66%	-
ASO 3	70,587	-	-	-	1.66%	-	71,822	-	-	-	1.66%	-	73,259	-	-	-	1.66%	-	74,724	-	-	-	1.66%	-
ASO 4	79,806	-	-	-	1.66%	-	81,202	-	-	-	1.66%	-	82,826	-	-	-	1.66%	-	84,483	-	-	-	1.66%	-
ASO 5	87,676	-	-	-	1.66%	-	89,211	-	-	-	1.66%	-	90,995	-	-	-	1.66%	-	92,815	-	-	-	1.66%	-
ASO 6	95,112	95,112	2.0	190,223.4	1.66%	3,158	96,776	96,776	2.0	193,552.3	1.66%	3,213	98,712	98,712	2.0	197,423.3	1.66%	3,277	100,686	100,686	2.0	201,371.8	1.66%	3,343
Ranger 1	63,751	-	-	-	1.66%	-	64,867	-	-	-	1.66%	-	66,164	-	-	-	1.66%	-	67,487	-	-	-	1.66%	-
Ranger 2	71,245	-	-	-	1.66%	-	72,491	-	-	-	1.66%	-	73,941	-	-	-	1.66%	-	75,420	-	-	-	1.66%	-
Ranger 3	79,455	-	-	-	1.66%	-	80,846	-	-	-	1.66%	-	82,463	-	-	-	1.66%	-	84,112	-	-	-	1.66%	-
SOG C(T)	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SOG B(T)	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
Technical Officer 1	64,941	-	-	-	1.66%	-	66,078	-	-	-	1.66%	-	67,399	-	-	-	1.66%	-	68,747	-	-	-	1.66%	-
Technical Officer 2	73,764	-	-	-	1.66%	-	75,054	-	-	-	1.66%	-	76,555	-	-	-	1.66%	-	78,087	-	-	-	1.66%	-
Technical Officer 3	85,673	-	-	-	1.66%	-	87,172	-	-	-	1.66%	-	88,916	-	-	-	1.66%	-	90,694	-	-	-	1.66%	-
Technical Officer 4	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-
SPO C	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SPO B	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
SPO A	157,916	-	-	-	1.66%	-	160,679	-	-	-	1.66%	-	163,893	-	-	-	1.66%	-	167,171	-	-	-	1.66%	-
Park Ranger 1	72,443	-	-	-	1.66%	-	73,710	-	-	-	1.66%	-	75,185	-	-	-	1.66%	-	76,688	-	-	-	1.66%	-
Park Ranger 2	80,932	-	-	-	1.66%	-	82,349	-	-	-	1.66%	-	83,996	-	-	-	1.66%	-	85,676	-	-	-	1.66%	-
Park Ranger 3	87,712	-	-	-	1.66%	-	89,247	-	-	-	1.66%	-	91,032	-	-	-	1.66%	-	92,853	-	-	-	1.66%	-
PO1	84,481	-	-	-	1.66%	-	85,959	-	-	-	1.66%	-	87,679	-	-	-	1.66%	-	89,432	-	-	-	1.66%	-
PO2	99,764	-	-	-	1.66%	-	101,510	-	-	-	1.66%	-	103,540	-	-	-	1.66%	-	105,611	-	-	-	1.66%	-
GSO 2	52,384	-	-	-	1.66%	-	53,301	-	-	-	1.66%	-	54,367	-	-	-	1.66%	-	55,455	-	-	-	1.66%	-
GSO 3	55,458	-	-	-	1.66%	-	56,429	-	-	-	1.66%	-	57,557	-	-	-	1.66%	-	58,708	-	-	-	1.66%	-
GSO 4	58,288	-	-	-	1.66%	-	59,308	-	-	-	1.66%	-	60,494	-	-	-	1.66%	-	61,704	-	-	-	1.66%	-
GSO 5	62,124	-	-	-	1.66%	-	63,211	-	-	-	1.66%	-	64,475	-	-	-	1.66%	-	65,765	-	-	-	1.66%	-
GSO 6	65,087	-	-	-	1.66%	-	66,226	-	-	-	1.66%	-	67,550	-	-	-	1.66%	-	68,901	-	-	-	1.66%	-
GSO 7	70,544	-	-	-	1.66%	-	71,778	-	-	-	1.66%	-	73,214	-	-	-	1.66%	-	74,678	-	-	-	1.66%	-
GSO 8	76,494	-	-	-	1.66%	-	77,833	-	-	-	1.66%	-	79,389	-	-	-	1.66%	-	80,977	-	-	-	1.66%	-
GSO 9	83,977	-	-	-	1.66%	-	85,446	-	-	-	1.66%	-	87,155	-	-	-	1.66%	-	88,898	-	-	-	1.66%	-
GSO 10	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-

Capitalised	2021-22						2022-23						2023-24						2024-25					
Level	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt	Avg Salary	Include	FTE	Wages	WC Rate	WC Amt
INFRA 1	79,540	-	-	-	1.66%	-	80,932	-	-	-	1.66%	-	82,551	-	-	-	1.66%	-	84,202	-	-	-	1.66%	-
INFRA 2	93,656	-	-	-	1.66%	-	95,295	-	-	-	1.66%	-	97,201	-	-	-	1.66%	-	99,145	-	-	-	1.66%	-
INFRA 3	116,901	-	-	-	1.66%	-	118,947	-	-	-	1.66%	-	121,326	-	-	-	1.66%	-	123,753	-	-	-	1.66%	-
INFRA 4	140,217	-	-	-	1.66%	-	142,671	-	-	-	1.66%	-	145,524	-	-	-	1.66%	-	148,434	-	-	-	1.66%	-
INFRA 5	156,718	-	-	-	1.66%	-	159,461	-	-	-	1.66%	-	162,650	-	-	-	1.66%	-	165,903	-	-	-	1.66%	-
SOG C	118,194	-	-	-	1.66%	-	120,262	-	-	-	1.66%	-	122,667	-	-	-	1.66%	-	125,121	-	-	-	1.66%	-

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SOG B	141,011	-	-	-	1.66%	-	143,478	-	-	-	1.66%	-	146,348	-	-	-	1.66%	-	149,275	-	-	-	1.66%	-
SOG A	155,719	-	-	-	1.66%	-	158,444	-	-	-	1.66%	-	161,613	-	-	-	1.66%	-	164,845	-	-	-	1.66%	-
ASO 1	55,775	-	-	-	1.66%	-	56,751	-	-	-	1.66%	-	57,886	-	-	-	1.66%	-	59,044	-	-	-	1.66%	-
ASO 2	63,182	-	-	-	1.66%	-	64,287	-	-	-	1.66%	-	65,573	-	-	-	1.66%	-	66,884	-	-	-	1.66%	-
ASO 3	70,587	-	-	-	1.66%	-	71,822	-	-	-	1.66%	-	73,259	-	-	-	1.66%	-	74,724	-	-	-	1.66%	-
ASO 4	79,806	-	-	-	1.66%	-	81,202	-	-	-	1.66%	-	82,826	-	-	-	1.66%	-	84,483	-	-	-	1.66%	-
ASO 5	87,676	-	-	-	1.66%	-	89,211	-	-	-	1.66%	-	90,995	-	-	-	1.66%	-	92,815	-	-	-	1.66%	-
ASO 6	95,112	-	-	-	1.66%	-	96,776	-	-	-	1.66%	-	98,712	-	-	-	1.66%	-	100,686	-	-	-	1.66%	-
Ranger 1	63,751	-	-	-	1.66%	-	64,867	-	-	-	1.66%	-	66,164	-	-	-	1.66%	-	67,487	-	-	-	1.66%	-
Ranger 2	71,245	-	-	-	1.66%	-	72,491	-	-	-	1.66%	-	73,941	-	-	-	1.66%	-	75,420	-	-	-	1.66%	-
Ranger 3	79,455	-	-	-	1.66%	-	80,846	-	-	-	1.66%	-	82,463	-	-	-	1.66%	-	84,112	-	-	-	1.66%	-
SOG C(T)	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SOG B(T)	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
Technical Officer 1	64,941	-	-	-	1.66%	-	66,078	-	-	-	1.66%	-	67,399	-	-	-	1.66%	-	68,747	-	-	-	1.66%	-
Technical Officer 2	73,764	-	-	-	1.66%	-	75,054	-	-	-	1.66%	-	76,555	-	-	-	1.66%	-	78,087	-	-	-	1.66%	-
Technical Officer 3	85,673	-	-	-	1.66%	-	87,172	-	-	-	1.66%	-	88,916	-	-	-	1.66%	-	90,694	-	-	-	1.66%	-
Technical Officer 4	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-
SPO C	124,273	-	-	-	1.66%	-	126,448	-	-	-	1.66%	-	128,977	-	-	-	1.66%	-	131,556	-	-	-	1.66%	-
SPO B	143,000	-	-	-	1.66%	-	145,502	-	-	-	1.66%	-	148,412	-	-	-	1.66%	-	151,381	-	-	-	1.66%	-
SPO A	157,916	-	-	-	1.66%	-	160,679	-	-	-	1.66%	-	163,893	-	-	-	1.66%	-	167,171	-	-	-	1.66%	-
Park Ranger 1	72,443	-	-	-	1.66%	-	73,710	-	-	-	1.66%	-	75,185	-	-	-	1.66%	-	76,688	-	-	-	1.66%	-
Park Ranger 2	80,932	-	-	-	1.66%	-	82,349	-	-	-	1.66%	-	83,996	-	-	-	1.66%	-	85,676	-	-	-	1.66%	-
Park Ranger 3	87,712	-	-	-	1.66%	-	89,247	-	-	-	1.66%	-	91,032	-	-	-	1.66%	-	92,853	-	-	-	1.66%	-
PO1	84,481	-	-	-	1.66%	-	85,959	-	-	-	1.66%	-	87,679	-	-	-	1.66%	-	89,432	-	-	-	1.66%	-
PO2	99,764	-	-	-	1.66%	-	101,510	-	-	-	1.66%	-	103,540	-	-	-	1.66%	-	105,611	-	-	-	1.66%	-
GSO 2	52,384	-	-	-	1.66%	-	53,301	-	-	-	1.66%	-	54,367	-	-	-	1.66%	-	55,455	-	-	-	1.66%	-
GSO 3	55,458	-	-	-	1.66%	-	56,429	-	-	-	1.66%	-	57,557	-	-	-	1.66%	-	58,708	-	-	-	1.66%	-
GSO 4	58,288	-	-	-	1.66%	-	59,308	-	-	-	1.66%	-	60,494	-	-	-	1.66%	-	61,704	-	-	-	1.66%	-
GSO 5	62,124	-	-	-	1.66%	-	63,211	-	-	-	1.66%	-	64,475	-	-	-	1.66%	-	65,765	-	-	-	1.66%	-
GSO 6	65,087	-	-	-	1.66%	-	66,226	-	-	-	1.66%	-	67,550	-	-	-	1.66%	-	68,901	-	-	-	1.66%	-
GSO 7	70,544	-	-	-	1.66%	-	71,778	-	-	-	1.66%	-	73,214	-	-	-	1.66%	-	74,678	-	-	-	1.66%	-
GSO 8	76,494	-	-	-	1.66%	-	77,833	-	-	-	1.66%	-	79,389	-	-	-	1.66%	-	80,977	-	-	-	1.66%	-
GSO 9	83,977	-	-	-	1.66%	-	85,446	-	-	-	1.66%	-	87,155	-	-	-	1.66%	-	88,898	-	-	-	1.66%	-
GSO 10	97,009	-	-	-	1.66%	-	98,707	-	-	-	1.66%	-	100,681	-	-	-	1.66%	-	102,695	-	-	-	1.66%	-

CABINET

Recurrent Staffing Cost

Variation N	Agency (no	Entity Segi	Reason (n	Title	Description	Output Cla	Related Ou	Initiative C	Commonw	Account	Movement	Internal Trading Segment (note 0 at front)	Estimated Outcome	Annual Budget	Forward Estimates 1	Forward Estimate 2	Forward Estimate 3
	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	801101 - Controlled Recurrent Payments		999 015 - Territory Bank Account		743	756	771	786
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601101 - Wages and Salaries		999 099 - External Trading		545	554	565	577
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601102 - Long Service Leave		999 099 - External Trading		5	5	5	5
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601103 - Annual Leave Expense		999 099 - External Trading		17	17	17	18
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	601105 - Comcare Premiums		999 091 - Public Sector Workers Compensation Fund		9	9	9	10
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	602501 - Fund of Choice Superannuation - Approp Funded		999 099 - External Trading		63	64	65	66
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702101 - Supplies and Services		999 099 - External Trading		105	107	109	111

Recurrent Supplier Cost

1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	801101 - Controlled Recurrent Payments		999 015 - Territory Bank Account		638	800	875	750
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702101 - Supplies and Services		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702105 - Consultants, Contractors and Professional Services		999 099 - External Trading		625	675	750	675
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702115 - Staff Development and Recruitment		999 099 - External Trading		13	25	25	25
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702104 - Repairs and Maintenance		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	706101 - Current Grant (Non ACT Government)		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702110 - Communication and Computer Expenses		999 099 - External Trading		0	100	100	50
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702111 - Travel, Accommodation and Transport Expenses		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	702113 - Material, Equipment and Supplies		999 099 - External Trading		0	0	0	0
1	80	2	11	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	703311 - Other Expenses		999 099 - External Trading		0	0	0	0

Capital Staff and Supplier Costs

1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	701101 - Depreciation		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	701102 - Amortisation		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201102 - Accumulated Depreciation - Buildings		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201302 - Accumulated Depreciation - Heritage and Communi		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201402 - Accumulated Depreciation - Infrastructure Assets		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201502 - Accumulated Depreciation - P & E		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201505 - Accumulated Depreciation - Leased P & E		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	203102 - Accumulated Amortisation - Capitalised Software		999 099 - External Trading		-	-	-	-
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	206201 - Capital Work in Progress - NC		228 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	206201 - Capital Work in Progress - NC		228 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	402003 - Capital Injections		424 015 - Territory Banking Account		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201101 - Buildings		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201201 - Leasehold Improvements		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201301 - Heritage and Community Assets		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201401 - Infrastructure Assets		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201501 - Plant and Equipment		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201504 - Leased Plant and Equipment		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	201601 - Land		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	203101 - Capitalised Software		222 099 - External Trading		0	0	0	0
1	80	2	2	Building a Water Secu	Building a Wa	080.2.01	080.2.01	I000000	CW00000	203205 - Other Intangible Assets		222 099 - External Trading		0	0	0	0
														0	0	0	0

Check:				
Recurrent Staff Cost	-	-	-	-
Recurrent Supplier Cost	-	-	-	-
Capital Staff Cost	-	-	-	-
Capital Supplier Cost	-	-	-	-
Depreciation and amortisation	-	-	-	-
CRP	(928)	(1,727)	(1,754)	(1,780)
Capital Injection	-	-	-	-

Enter Initiative ID when known:

Initiative ID:	I000000
Cwth Initiative ID:	CW00000

Attachment G

Draft recommendations from the State of the Lakes and Waterways report (Commissioner for Sustainability and the Environment, May 2022)

The following recommendations are made in the draft report from the Commissioner for Sustainability and the Environment on the *State of the Lakes and Waterways in the ACT*. [The report is due to be provided to the Minister for the Environment by the end of May 2022 and scheduled for Cabinet on 6 June 2022].

1. Re-open water-relevant recommendations of statutory reports and continue to report against these (as identified in Tables 2.1 to 2.4 in section 2.4 and detailed below):

Summarised from ACT Auditor-General's 2018 Report on Acceptance of Stormwater Assets

Recommendation 5. Catchment-wide stormwater planning

EPSDD should identify options for conducting catchment-wide planning, and undertake analysis of stormwater needs, against which future development applications would be assessed. These options should be provided to the Minister for Planning and Land Management for consideration.

Recommendation 6. Consideration of stormwater solutions

EPSDD and TCCS, in consultation with the Suburban Land Agency (SLA), should develop a range of stormwater management solutions for new estates and subdivisions, in the context of a catchment-wide plan for the area, to ensure that the optimal solution and the means of financing it are adopted.

Recommendation 10. Development of performance indicators

EPSDD and TCCS should each develop performance measures for the achievement of ACT Government stormwater objectives, including the management of stormwater discharges. These should be publicly reported (for example, in the ACT Water Report).

Recommendation 15. Management of the existing stormwater network

TCCS should:

a) develop a preventative maintenance plan for stormwater assets, and

b) clearly identify problem areas with, and risks to, the stormwater network.

If required, appropriate remedial action should be recommended to the Minister for Transport and City Services.

Recommendation 16. Reducing damage to accepted assets[1]

[1] Accepted assets correspond to infrastructure that has been officially handed over from a private entity to the ACT Government. In this way, stormwater infrastructure built as part of new developments by private entities, becomes the responsibility of ACT Government once construction is complete.

A working group (including representatives from TCCS, EPSDD, the SLA, Access Canberra and other relevant entities) should be established to:

a) develop a coordinated multi-agency strategy to reduce the damage to accepted assets caused by building and other construction activity, and

b) report to the Minister for Planning and Land Management on actions to be taken, then subsequently the results of any actions undertaken.

Recommendation 17. Review and augmentation of existing stormwater infrastructure

TCCS should develop a forward program for the ongoing review of stormwater infrastructure in established areas of Canberra and augmentation of the infrastructure where necessary. The forward program should be provided to the Minister for Transport and City Services for consideration and direction.

Summarised from OCSE's 2012 Report on the state of the watercourses and catchments for Lake Burley Griffin

Recommendation 7. Strategic approach to WSUD

The ACT Government should develop a strategic approach to WSUD. This should include:

a) Identifying sites where installing catchment intervention, such as wetlands and pollution control ponds, would improve water quality entering urban lakes. This should include identifying WSUD that complement current programs of installing wetlands and water control ponds in both new urban areas and retrofitting in existing suburbs where applicable.
b) Ensuring that WSUD requirements are enforced, in particular:

i. ensuring that wetlands and ponds are of appropriate sizes to service their catchments, and
ii. undertaking auditing/compliance arrangements to ensure that temporary pollution control ponds for sediment control during the construction phase in new estates are maintained and functioning effectively.

c) Monitoring the effectiveness of WSUD through improved monitoring following urban developments to determine whether water quality meets WSUD general code targets. Results should be used to inform improvements in WSUD standards.

d) Comparison of ACT approaches to WSUD with those of other Australian urban areas to help ours remain consistent with developing technology and best practice.

e) Reviewing the efficacy of existing GPTs. The review should include:

i. effectiveness in pollutant reduction
ii. effectiveness of current maintenance of pollution control measures
iii. capital costs
iv. ongoing maintenance costs to ensure the current drainage infrastructure remains high-standard and is in line with current best practice, protecting downstream environments
v. reduction of polluted leachate water, and
vi. the capacity to manage requirements of future urban growth and development.

f) working with the NCA and NSW Councils in the catchment to coordinate a strategic approach across the catchment.

Recommendation 13. QSTP Environmental Authorisation update

The ACT Environment Protection Authority (EPA) review and update the Environmental Authorisation number 0417 for sewage treatment within the Queanbeyan City Council Sewage Treatment Plant to ensure that the treatment process results in discharge quality that matches contemporary best practise for a modern, urban sewerage treatment plant. In line with this, the QCCSTWP should continually review and improve its mitigating practises for inundation and washout events at the treatment plant.

2. Publish an annual detailed breakdown of how the Water Abstraction Charge revenue is expended.

Data, monitoring and reporting of urban lakes and waterways

3. Institute a long-term monitoring and reporting program (*in addition* to the invaluable information provided by Waterwatch), to comprehensively assess urban water quality, ecological condition, recreation and aesthetic values, management effectiveness, and the impacts of new suburb developments on water quality. This program should include
    - a review of urban water data collected and held across the ACT Government to identify data gaps, quality issues and data accessibility
    - the development of methodologies for assessing waterway condition against published urban water management outcomes, objectives and targets
    - the development of clear and consistent ecological condition standards, targets and indicators for urban waters to enable assessment of ecosystem health and management effectiveness. This should include all ponds, lakes, creeks and other running waters
    - strategies for improving collaboration and coordination across government and community urban water monitoring programs, and
    - provide adequate resourcing to maintain parallel monitoring undertaken by Waterwatch.

4. Establish and maintain a single point of truth for water quality in the ACT on a public online platform. This should
    - incorporate water quality monitoring data from all currently available sources including ACT Government, the NCA, universities (where accessible) and Waterwatch
    - include lake and river closure information, and pollution and blue-green algae reporting
    - provide the location of the recreational water quality report and the reporting framework for the assessment of aquatic ecosystem health and water quality described in Recommendations 28 and 29 in the 2019 ACT State of the Environment Report.

Incorporating Ngunnawal Knowledge into care of urban lakes and waterways

5. The ACT Government to formally recognise the cultural value of water held by the Ngunnawal people and further incorporate Ngunnawal practices into management of urban lakes and waterways.

On-ground management of urban lakes and waterways

6. Fund improvement of the performance of water quality control infrastructure, including through
    - maintenance of existing ponds, wetlands and gross pollutant traps
    - supporting activities for water quality (e.g. expanded street sweeping, appropriate disposal of organic matter and application of fertilisers in public places)
    - design and build new water quality control infrastructure in accordance with sub-catchment plans developed as part of Recommendation 8.

Management or governance of urban lakes and waterways

7. Implement a consolidated management framework for the urban waterways of the ACT. This should
    - take a catchment or sub-catchment approach, explicitly recognising the inter-connectedness of urban waterways, ponds and lakes, and their catchments
    - deal with management of both water flow and water quality, and
    - incorporate and enhance existing management planning and strategy documents, resolving inconsistencies and ensuring that objectives for urban waterway management are clearly defined.

8. The ACT Government to take responsibility for monitoring and management of water quality in Lake Burley Griffin, in recognition of the fact that it is the entity primarily responsible for management of the lake's catchment.

9. Strengthen community participation in water management through measures such as
    - providing secure, ongoing funding to community groups working on catchment management, water quality testing, ecological surveys and public education and engagement
    - expanding the use of deliberative democracy, and
    - establishing a formal mechanism for meaningful community involvement in the governance of the proposed Office of Water.

10. Reform Environmental Protection Authority's (EPA) approach to monitoring, compliance and enforcement relating to urban water conditions to re-focus on its core function of protecting the environment, including that the EPA
    - is sufficiently empowered and resourced to undertake compliance monitoring and enforcement of all environmental conditions and activities, including around erosion and sediment controls
    - monitor the effectiveness and compliance of water pollution control structures for new developments, including during the construction phase, to reduce stormwater impacts on lakes and rivers[2]

[2] Improved monitoring of developments was listed as a priority action in the Lake Burley Griffin Task Force, 2012, *Lake Burley Griffin Action Plan: A Healthier, Better Functioning Lake by 2030*. ACT Government, Canberra.

Mitigating emerging issues for urban lakes and waterways

11. Ensure that all new water-related policies, plans and strategies are underpinned by future climate change projections for the ACT.

12. The ACT Government to reform its approach to urban planning and future land development to ensure that stormwater management is preventative and proactive rather than remedial and reactive. This should include
    - Accepting that development should not occur in areas where analysis of soils, geology, hydrology and topography indicate that construction of water quality control infrastructure sufficient to preserve environmental targets would be practically or financially impossible, and
    - Focusing on sedimentation prevention, enforcement and compliance in development and construction, rather than resourcing urban water treatment assets, such as wetlands.