



SENSITIVE: CABINET

To Minister for the Environment and Climate Change

From Director-General
Deputy Director-General
Executive Director, Environment

Subject 16/037 Economic Growth and Urban Renewal Sub-committee of Cabinet
Discussion Paper for alternative management and funding models for sustainable operation and maintenance of water sensitive urban design assets.

Critical Date 17 May 2016

Critical Reason The Cabinet Submission must be lodged with the Cabinet Office by 17 May 2016, for consideration at the 25 May 2016 Cabinet meeting.

Purpose

1. To provide a revised Cabinet Discussion Paper on "Alternative Management and Funding Models for Sustainable Operation and Maintenance of Water Sensitive Urban Design Assets" and to seek your agreement for the Discussion Paper to be lodged with the Cabinet Office.

Background

2. In 2014, Cabinet agreed (14/122) to the release of the ACT Water Sensitive Urban Design (WSUD) Review Report. The review recommended that the government undertake a number of priority projects including assessing alternative management and funding models for sustainable operation and maintenance of WSUD assets (Priority Project 2).
3. The Economic Growth and Urban Renewal Sub-committee of Cabinet (URSC) were previously presented with a discussion paper on this matter on 3 November 2015 (15/180).
4. Marsden Jacob Associates were commissioned by the Environment and Planning Directorate (EPD) to benchmark current ACT management and funding arrangements for WSUD assets, namely stormwater water quality assets, against national and international experiences.

Performance Assessment

DUE DATE:/...../..... DATE RECEIVED:...../...../.....

 SATISFACTORY

 UNSATISFACTORY

According to criteria specified in ACT Government Policy Performance Measures

Signature / .../....

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The draft final report by Marsden Jacob was presented to the URSC and considered eight options to improve current management and funding arrangements before prioritising these down to three recommended options.

5. A previous Exposure Draft Cabinet Submission was lodged with the Cabinet Office for agency circulation on 8 April 2016. Two agency comments were received - from Chief Ministers, Treasury and Economic Development Directorate (CMTEDD) and Territory and Municipal Services (TAMS).

Issues

6. CMTEDD requested that the agenda item be removed from the Cabinet agenda and put through the URSC.

7. You will note that the Exposure Draft Cabinet Submission stated that a pre-feasibility: options assessment study will be carried out and will evaluate the options in further detail. A second Cabinet date has been organised for August 2016 which will consider the findings of that study.

8. Removing the agenda item from Cabinet at this time will not delay the project. The project was originally to be presented as a Cabinet Information Paper before the new Cabinet rules were applied on 1 April 2016 and information papers were removed from the system.

9. A revised URSC package has now been prepared to allow the Sub-committee members information on the emerging issues. The Cabinet Office has advised that the superseded Cabinet Submission is to be provided as an attachment to the URSC Discussion Paper with an explanation on the removal from the Cabinet agenda.

10. This will assist members in understanding the emerging issues and considerations before a Cabinet Submission is formally lodged for the August 2016 meeting.

11. TAMS supported the recommendations in the Exposure Draft Cabinet Submission.

12. The URSC package for the 25 May 2016 meeting includes:

- For your information: Previous Ministerial Brief 16/01670 ([Attachment 1](#))
- For lodgement to Cabinet Office:
 - [Attachment 2](#): URSC Discussion Paper (16/037)
 - [Attachment 2a](#): URSC Discussion Paper (15/180)
 - [Attachment 2b](#): The previous exposure draft Cabinet Submission
 - [Attachment 2c](#): Final Report by Marsden Jacob (2016)
 - [Attachment 2d](#): Funding Stormwater Utilities factsheet.

Financial Implications

13. There are no financial implications with this brief as the proposed Pre feasibility: options assessment study was included within the existing budget and was identified in the development stages of this project. EPD are currently working on the project brief.

Directorate Consultation

14. Cross directorate consultation through the ACT WSUD Review working group and targeted stakeholder consultation has occurred during this project, including two cross directorate working sessions.

15. The Directors-General Water Group has also been briefed on the progress of the project, which also included presentations from the consultant and briefings from EPD (8 July 2015; 11 August 2015; 27 October 2015 and 8 March 2016).

16. At the Directors-General Water Group meeting of the 8 March 2016 there was some discussion regarding expanding the scope of this study to cover stormwater assets more generally and include other catchment management issues. The feasibility of this variation will be investigated and incorporated if possible.

External Consultation

17. External consultation with Icon Water has occurred with the Managing Director of Icon Water who has been briefed on this project, and through the Directors-General Water Group. The external ACT WSUD Technical Panel identified the necessity of Priority Project 2 during the ACT WSUD Review.

Benefits/Sensitivities

18. Continuing to identify opportunities to improve current WSUD / stormwater management arrangements and understanding how we can effectively implement alternative management and funding arrangements is expected to provide benefits for the ACT Government.

19. The work has identified some threats and weaknesses in the current WSUD lifecycle practices, in particular relating to O&M, which can be perceived as a sensitive matter for asset owners. It is important to note that this work has also identified opportunities for improvement.

Media Implications

20. There are no media implications with this brief as it is currently an internal matter.

Recommendation

That you:

- note the information contained in this brief; and

NOTED/PLEASE DISCUSS

- agree to lodge the Discussion Paper (16/037) with the Cabinet Office for the 25 May 2016 meeting.

AGREED/NOT AGREED/PLEASE DISCUSS

Simon Corbell MLA 1 24 5 16
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Minister's Comments

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