



PARLIAMENT OF NEW SOUTH WALES

Joint Select Committee on Protecting Local Water Utilities from Privatisation

Supplementary questions: Dubbo Regional Council

1. If there were legislation to ban privatisation of local water utilities, what critical functions or operations would need to be protected (for example, ability to outsource to the private sector, ability for single counties or county councils to collaborate)?

The protection of privatisation of local water utilities should not create barriers for the operation of the provision of drinking water to the community such as precluding private contractors from being engaged to undertake certain activities.

There is a reliance on external bodies to Council to be engaged for activities associated with the provision of drinking water. These range from bringing in technical skills for optimal operation of plant, water quality testing, contractors for building construction and specialised services such as reservoir cleaning.

Not allowing local water utilities to engage contractors would not allow the vast majority of local water authorities to operate, let alone Sydney and Hunter Water.

Although not likely to occur with Dubbo Regional Council given the location of the population and treatment plants, this protection should be flexible to allow individual local water utilities to consider collaboration and combining resources. This should be allowable if there is a strong business case, provides community benefit and it undertaken in a voluntary capacity. This would ensure that there is future flexibility in the delivery of services to the community.

2. What has been your experience with funding programs such as the Safe and Secure Water Program and Town Water Risk Reduction Program? What improvements could be made to these programs to benefit your council?

Safe and Secure Water

Council was fortunate enough to receive \$30 million in funding from the Department of Planning and Environment (DPE) for drought security projects on 20 December 2019. The funding deed, known as 'Dubbo Drought Groundwater Infrastructure Project' or 'DWS025' is managed via a schedule of project milestones and assurances. Funds are transferred to Council on completion of identified milestones, with updates provided to DPE in the form of a report on a monthly basis. As part of the administration and acquittal of DWS025, Council has regular project progress meetings with representatives of DPE, ensuring that all parties involved are satisfied with the direction of the project. Overall, Council's experience with the Safe and Secure Water Program has been a positive one.

Concerning improvements to the programs, it is Council's suggestion that funds be made available for drought security projects in times when both surface and groundwater are plentiful, rather than in times of drought. Augmentation to or

modification of a town water supply is a complex task, requiring significant levels of planning, design, and approvals from State entities. Such projects also place significant load on the staffing resources of Councils. Major modifications to water supply treatment systems can potentially take years to implement. Funding programs must consider these realities and provide realistic timeframes for acquittal.

Town Water Risk Reduction Program

Water Efficiency Programs

Washing Machine Replacement Trial – Pilot program helping social housing tenants replace inefficient washing machines to boost water and energy efficiency and reduce cost of living. The Dubbo LGA social housing tenants submitted 48 applications with 20 orders placed marking Dubbo with a 42% success rate.

Council staff assisted DPE, NSW Land and Housing Corporation and Aboriginal Housing Office with water usage patterns before and after the trial to indicate water efficiency for the washing machine replacement.

Council has not received a report to date of analysis of water reduction of efficiencies to understand the effectiveness of this program.

Skills and Training

Orana Water Utilities Alliance (OWUA) workforce planning pilot. Testing a regional approach to workforce planning, and operator competency and training. This involved developing generic professional role descriptions and identified training and skills requirements for supervisors, operators, and engineers:

- mapping competencies and skills for these roles across the urban water cycle
- developing a water operator training needs assessment framework and supporting software (named, 'Acuario') for local water utilities and individual water operators to self-determine their training needs in relation to the regulatory requirements
- undertaking a gap analysis of training needs for each utility within the OWUA.

The pilot commenced in 2022 and is still ongoing.

Various levels of staff completed the 'Audit of Drinking Water Quality Management' and the 'Emergency Incident' workshop training. There were beneficial and provided knowledge and tools to implement within Dubbo Regional Council practices and procedures.

The Town Water Risk Reduction Program worked with Dubbo Regional Council to facilitate an incident debrief workshop. The workshop looked at Council's emergency management response to a water quality incident, focusing on the internal emergency management structure, and the external public communication and stakeholder management. The workshop identified Council's planning for incident response and use of a council-wide continuity management team as

successes and gave recommendations for improvements to include into future planning.

Source Water Quality Management

Water NSW met with Council in late 2023 to facilitate opportunities to work with Water NSW as part of the TWRR for opportunities which covered catchment management, hazard identification and risk prioritisation and source water management. Water NSW Project team is still working with Council to develop and enhance their program with further deliverables to be communicated with Council's early 2024.

3. What are the main actions that could be taken to improve the recruitment and retention of water utility operators?

The attraction and retention of water utility operators has been a state wide issue for a number of years and with staff moving on, this is becoming increasingly difficult.

The development of a trade for operators would assist with appropriate remuneration and this would also raise the profile of these roles in the water industry. Some staff have left the water industry due to higher paying roles with less responsibility. Dubbo Regional Council has attempted to address this particular issue with a market allowance to attract and retain staff.

The experience with Dubbo Regional Council is that staff have moved to larger organisations and State Government departments. While these staff members remain in the industry, they have left the local water utility which places a strain on the remaining operators of these facilities.

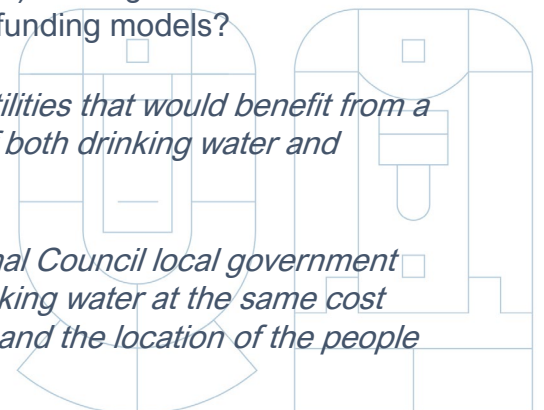
Training in the current qualifications requires staff to be off site whereas a regionally based location would be of significant benefit to local water utilities. This should be further investigated to provide a regionally based training facility.

The profile of the industry is not well known with the local community. Education programs and school based trainees may be an option for attraction to the industry but this needs to be supported with mentoring and training.

4. Do you support a community service obligation (CSO) funding model for local water utilities? If so, why would this be preferable to other funding models?

There are a large number of regional local water utilities that would benefit from a Community Service Obligation for the operation of both drinking water and sewerage treatment plants.

Even where pricing is set across the Dubbo Regional Council local government areas, not all the treatment plants produce the drinking water at the same cost which usually attributed to scale of the water plant and the location of the people connected to the drinking water scheme.



Dubbo Regional Council would welcome this funding model noting that a vast majority of the regional local water utilities should be eligible for funding assistance under this type of scheme.

This type of funding would be preferable as it would also contribute to supporting the operational and maintenance side of the activities and not just capital investment. The increase in capital may be required, but this provides a future maintenance and operational cost to the local water utility.

5. How could water recycling be used as a strategy to improve water security in your region and what are the main impediments to developing water recycling infrastructure?

The use of recycled water is an avenue that would certainly assist with water security. Dubbo Regional Council alone produces approximately 8.5ML of treated effluent on a daily basis.

This is a source of water that could be treated appropriately and introduced at the very least as a source of water for treatment to drinking water conditions.

The main impediments are the acceptance by a community that this waste water is a drinking water source and the approval process that is required to introduce this as a viable drinking water source.

Stormwater harvesting is another use of water recycling with impediments being the area of land required for the storage of stormwater (usually at the low end of the catchment).

