

4 December 2017

Water NSW member update

The final *Matthews Report* has been released. You can find a copy in the links at the end of this update.

There are a wide range of recommendations, many of which impact Water NSW.

While the Terms of Reference were focused on the Department of Industry, many of the recommendations are sound and Water NSW should look to adopting similar approaches.

The most important features which will impact on members are the following recommendations:

- » **Staff: As decided by Cabinet**, "all compliance and enforcement staff" would return from WaterNSW to the department. This means **any staff member actively involved in enforcement**. It also means a notional share of the WaterNSW staffing budget reflecting the proportion of time that WaterNSW officers currently deal with compliance issues
- » **Advice:** WaterNSW would henceforth no longer seek to advise individual clients on compliance matters. Where the need for such advice to a client became apparent, WaterNSW would refer that client to compliance staff within NRAR. For its part, NRAR would formally commit to timely response standards
- » **Education:** WaterNSW would retain a delegated role in contributing to customer education at the collective level. For example, the distribution of NRAR-endorsed educational materials to groups of customers or the presentation of such materials at meetings and conferences
- » **Sanctions:** WaterNSW would no longer have the power to issue low-level infringement or penalty notices. All such enforcement action would be with NRAR
- » **Reporting:** While the focus of WaterNSW staff would continue to focus on customer service, **there would be an obligation on all staff including meter readers to contribute to compliance and enforcement efforts by mandatory immediate reporting to NRAR of suspected breaches**. NRAR would formally commit to a reciprocal responsibility to consider the report in a timely fashion and to keep WaterNSW informed of follow-up action
- » **Liaison machinery:** Senior level consultation machinery would be established to monitor and steer the inter-agency working relationship and deal with any future operational interface difficulties

In addition, Ken Matthews has identified that "*problems [have been] caused by unresolved boundary issues between government agencies involved in compliance and enforcement*". He recommends that "[t]he objective should be to delineate roles to avoid any overlap in responsibilities. Not only is overlap unnecessarily costly but it causes confusion in the minds of clients and staff." (page 3)

Specifically, for the Crown Lands and Water Division in the Department of Industry, Ken Matthews recommends the Department implement cultural changes including,



4 December 2017

Water NSW member update

“communication to all staff of the importance and priority of reform projects”, “introducing external whistleblower service for employees” and “a cultural transformation to improve ethics”.

The Department has started implementing strategies to improve staff morale, staff engagement and communication.

Ken Matthews also recommends that the Department implement a *“re-design of staff feedback processes to encourage frank and empowered communication up the line without staff needing the cover of anonymous formal whistle-blower procedures (although anonymous channels should of course, continue to be available).”*

The Department of Industry is establishing a Water Renewal Taskforce to work closely with matter experts in the Crown Land and Water Divisions and other agencies including Water NSW. Expressions of interest are open for those who are interested.

These are excellent developments and similar strategies should be implemented by Water NSW.

All employees at Water NSW are bound by the same legal requirements as the rest of the NSW public service in relation to conflict of interest, maladministration, and potential corrupt behaviour.

Like the rest of the public service, all employees at Water NSW are required to report behaviour or actions that may constitute corruption or maladministration.

A useful factsheet on maladministration can be found on the Ombudsman’s website [HERE](#), as well as information about public interest disclosures (previously called protected disclosures) found [HERE](#).

The Ken Matthews Interim Report can be found [HERE](#) and the Ken Matthews final report can be found [HERE](#).

The NSW Ombudsman Report on Water Compliance and Enforcement can be found [HERE](#) and the Murray Darling Basin Water Compliance Review report can be found [HERE](#).

