



ANNUAL REVIEW 2018/2019



WATER DIRECTORATE

OUR PURPOSE

OUR MISSION

TO PROVIDE INDEPENDENT TECHNICAL ADVICE TO LOCAL WATER UTILITIES TO ENSURE THEY DELIVER HIGH QUALITY WATER SUPPLY AND SEWERAGE SERVICES TO REGIONAL COMMUNITIES IN NSW.

OUR VISION

TO WORK COLLABORATIVELY WITH GOVERNMENT AND NON-GOVERNMENT ORGANISATIONS TO SUPPORT, ADVOCATE FOR AND ENABLE THE NEEDS OF LOCAL WATER UTILITIES IN NSW.

OUR ROLES

1

Develop technical publications and best practice standards / guidelines

2

Provide technical advice and assistance to LWUs on water and waste water treatment and reticulation in order to ensure consistent service delivery

3

Provide a platform for networking / information-sharing / collaboration across regional / rural LWUs

4

Advocate for improvements and better outcomes for LWUs to State and Federal governments as the peak body.

Chair's report



We have had a strong focus on implementing the Water Directorate Strategic Plan 2019-2024 during the year, responding to the member survey we conducted in 2018. We continue to respond to the top issues members identified in the survey: a shortage of skilled technical staff, ageing infrastructure, cost of maintenance and cost of compliance with new proposed health-based targets.

By the end of the reporting year we had started discussions with partner associations in water and infrastructure to better meet the needs of our member water utilities. This work will continue into the next 6 to 12 month period. Our relationships with our fellow associations will continue to grow into the future as we rise to meet the different challenges the water industry is facing in NSW. Local Government NSW, IPWEA, AWA, WSAA and WIOA and our own organisation will collaborate on skills development and asset management, as well as changes in water industry regulation.

I want to acknowledge our hardworking Executive Committee, who contribute hours in-kind to solve our regional water utility issues. I particularly thank departing representatives Matt Fanning of Bellingen Shire Council who played a key part in the development of our Strategy, Andre Kompler of Tenterfield Shire Council, Rolly Lawford of Warren Shire Council, Terence Seymour of Uralla Shire Council and Michael Herraman of Wingecarribee Shire Council. Welcome to Gnaï Ahamat of Snowy Monaro Regional Council, Derek Finnigan of Muswellbrook Shire Council, Doug Moorby of Narromine Shire Council and Greg Whorlow of Albury City Council. The Water Directorate thrives due to the in-kind hours of voluntary work put in by the 18 members of our Executive Committee.

A special thanks to Gary Mitchell for his 20 years of service on behalf of the Water Directorate and the NSW water industry. Gary was present at the embryonic stages of the Water Directorate in 1998. He oversaw the formalisation of the Water Directorate as an incorporated association in 2001. He worked with 11 successive Executive Committees over his two decades to develop more than 80 publications. He facilitated the Water Directorate forum at 16 successive LGNSW Water Management Conferences, that were held in every different region in NSW to listen to our members concerns and shared common issues in water management in regional NSW.

The project I know Gary took the most pride in over his time here was his participation in the Water Loss Management Program, a 5-year program operated in partnership with LGNSW and funded by the Commonwealth Government between 2006 and 2011. The Program engaged with 75 local water utilities across NSW and achieved ongoing savings 5.5 billion litres of water per annum. The project was a fantastic example of what the Water Directorate can achieve: large water and energy savings, capacity building of local water utilities and sustainable infrastructure management being the most notable benefits.

The Executive Committee welcomes Brendan Guiney, previously Director of Water Services at MidCoast Council as the new Executive Officer of the Water Directorate. Brendan commenced work with the Water Directorate in April 2019. Brendan's enthusiasm in the role along with his knowledge of the water and sewer industry across regional NSW, makes him an extremely valuable appointment to the Water Directorate going forward.

It is as important as ever for NSW local water utilities to be members of the Water Directorate. Almost all our member water utilities have suffered through drought now for a number of years. We can't rest and will need to adapt, using more diverse water solutions and rigorous asset management, so that our local water utilities can continue to provide sustainable water services into the future.

We will continue to advocate on behalf of the regional water sector in partnership with Local Government NSW, harnessing our unique relationship with rural and regional councils. We will continue to provide the technical support for your operations as the peak body for NSW local water utilities.

A handwritten signature in black ink that reads "W. Beatty".

Wayne Beatty
Chair

Executive Officer's report

2018/19 was a very significant year in the Water Directorate's relatively brief history as we achieved 100 per cent membership of all 89 local water utilities for the first time, during the organisation's 20th year. We welcomed incoming Executive Officer Brendan Guiney as I retired after twenty years in the job. Brendan and I have worked together during our handover to jointly bring you this report.

The major piece of work for the year was our new *Strategic Business Plan 2019 - 2024* developed by Professor Roberta Ryan of Public Policy and Governance Institute in the Centre for Local Government, University of Technology Sydney. The project involved a detailed review of the Water Directorate's work and an online survey of NSW LWUs. The key issues members raised are ageing infrastructure followed very closely by a shortage of skilled technical staff and also by the cost of compliance with HBTs. The results of the survey and review were workshopped at a Water Forum at the LGNSW Water Management Conference, leading to a very thorough understanding of the landscape in which the Water Directorate and our members are operating.

We hope the resulting Strategic Plan will help the Water Directorate to meet the needs of members in the coming years. Full details of our other publications, events and awards may be found on page 10.

Brendan Guiney took over as Executive Officer in April 2019, the second person to hold that role since the Water Directorate was formed in 1998. Brendan was previously the Director Water Services at MidCoast Council and had served as a valuable member of the Executive Committee from 2013. Brendan's appointment gives me great confidence that the Water Directorate is in good hands for the future. In retirement I look back at the growth of the Water Directorate and the liaison with hundreds of dedicated water professionals with fond memories.



Gary Mitchell
Outgoing Executive Officer

2018/19 was not just significant for the Water Directorate's 20th year, but also the retirement of Gary Mitchell after over 20 years of service to the Water Directorate. I'm grateful to Gary for making sure we had a comprehensive handover. This annual report covers my first two months in my role as Executive Officer, so I'm particularly pleased to produce this Executive Officer's review in a joint effort with Gary.

Gary's professional legacy with the Water Directorate is extensive. Under his leadership, Water Directorate has produced more than 80 publications for the benefit of NSW local water utilities. During this time he has participated in numerous water management committees dedicated to public health, provision of services to Aboriginal communities and liaison with numerous state regulators.

It is a great privilege to continue the fantastic work of the Water Directorate following on from Gary and I look forward to working with our Chair, the Executive Committee, our member utilities, our fellow associations and regulatory agencies as we progress our new 5-year strategic plan.

The realisation that the current drought has been reported as the worst in 120 years in most of NSW is particularly concerning. Local water utilities should be congratulated for working closely with their local communities to save water and discuss water security solutions. The development of measures such as new water storages and supplementary water sources such as stormwater harvesting, groundwater and recycled water is critical to increasing our resilience in the face of such drastic circumstances. The Water Directorate is available to provide support as these solutions are developed.



Brendan Guiney
Executive Officer

Executive Committee 2018–2019

Attendance Record – Elected Representatives

Name	Council	Region	Attendance
Gnai Ahamat**	Snowy Monaro Regional Council	South East	0/2
Wayne Beatty	Orange City Council	Central West	7/7
Jim Collins	Bega Valley Shire Council	South East	7/7
Russell Deans	Bathurst Regional Council	Central West	6/7
Derek Finnigan**	Muswellbrook Shire Council	Hunter	1/2
Matt Fanning*	Bellingen Shire Council	Mid North Coast	4/5
Graham Gordon	Griffith City Council	South West	6/7
Brendan Guiney	MidCoast Council	Mid North Coast	6/7
Michael Herraman*	Wingecarribee Shire Council	Illawarra	1/5
Phil Hood	Upper Hunter Shire Council	Hunter	6/7
Jason Ip	Riverina Water County Council	South West	7/7
Graham Kennett	Kyogle Council	North Coast	7/7
Andre Kompler*	Tenterfield Shire Council	New England	2/2
Matt Kidd	Shoalhaven City Council	Illawarra	7/7
David Kirby	Brewarrina Shire Council	Orana	5/7
Rolly Lawford*	Warren Shire Council	Orana	3/5
Bruce Logan	Tamworth Regional Council	New England	7/7
Doug Moorby**	Narromine Shire Council	Orana	2/2
David Oxenham	Tweed Shire Council	North Coast	5/7
Terence Seymour*	Uralla Shire Council	New England	5/5
Geoff Veneris	Goldenfields Water County Council	South West	7/7
Greg Whorlow**	Albury City Council	South West	2/2

Appointed committee members

Mark Hely	Local Government New South Wales	6/7
Councillor Rod Kendall	Local Government New South Wales	6/7

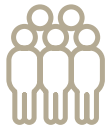
* Resigned or retired representative

** Nominated replacement or newly elected representative

A new era for the Water Directorate

Outgoing Executive Officer Gary Mitchell (right) shakes hands with incoming EO Brendan Guiney. Brendan is a civil engineer with post-graduate qualifications in project management and business administration. He has 22 years' experience working in a Local Water Utility, most recently as Director Water Services at MidCoast Council.

NSW Local Water Utilities AT A GLANCE



1.85m

population served in 890,000
properties (homes and
businesses in regional NSW)



350

water supply
systems



300

sewerage schemes



\$28bn

Total replacement cost
of water and sewerage
assets

89

Local Water Utilities (LWU's), comprising:

31

LWUs serve
>10,000
properties

23

LWUs serve
between 4,000
and 10,000
properties

20

LWUs serve
between 1,500
and 4,000
properties

15

LWUs
serve <1500
properties



312 (gigalitres, billion
litres) of drinking
water supplied



\$11.3 billion in
water supply
assets



160 GL of
sewage
treated



\$10.6 billion in
sewerage
assets

Source: NSW Dept of Planning, Industry and Environment 2018-19 performance monitoring data
<https://www.industry.nsw.gov.au/water/water-utilities/lwu-performance-monitoring-data>

NSW Water Directorate Strategy AT A GLANCE

In December 2018 we celebrated **20 years** of providing technical advice to NSW Local Water Utilities.

Over the past 20 years we have convened **124** Executive Committee meetings, facilitated 16 water management forums at LGSA/LGNSW Water conferences, facilitated **18** water management streams and forums at IPWEA conferences, distributed **234** monthly newsletters, presented **19** excellence awards at IPWEA conferences, presented **15** Ozwater

conference attendance awards to young water professionals, presented **6** LGNSW Excellence in the Environment awards, presented **12** Operator of the Year awards at WIOA conferences, published over **80** technical guidelines and manuals on a broad range of water issues as well as input into government publications.

Key roles

- Develop technical publications and best practice standards/guidelines
- Provide technical advice and assistance to LWUs on water and wastewater treatment and reticulation in order to ensure consistent service delivery
- Provide a platform for networking/information sharing/collaboration across regional/rural LWUs
- Advocate for improvements and better outcomes for LWU's to State and Federal governments as the peak body.

Strategies:

- Engage in a formal partnership with another water/infrastructure body or bodies
- Support LGNSW to advocate for the regional water sector
- Focus on capacity building for all LWUs, with a focus on smaller councils
- Re-think governance arrangements
- Increase collaboration across the sector
- Improve reporting and benchmarking, both of the Water Directorate and of LWUs
- Explore options to raise the profile of the Water Directorate
- Explore options for increasing revenue base, dependent on services provided



A meeting of minds: Award to encourage young water professionals

Water and Trade Waste Technical Officer **Amy Hart** from Ballina Shire Council was awarded the Ozwater'19 Conference Award sponsored by the Water Directorate and Australian Water Association. Amy said the highlight of the three-day Ozwater conference in Melbourne was the opportunity to meet many other likeminded young water professionals. She was very interested to attend a workshop on unconscious bias and to learn about new technologies and solutions to improve network and asset management, water loss and trade waste management.

Income and Expenditure

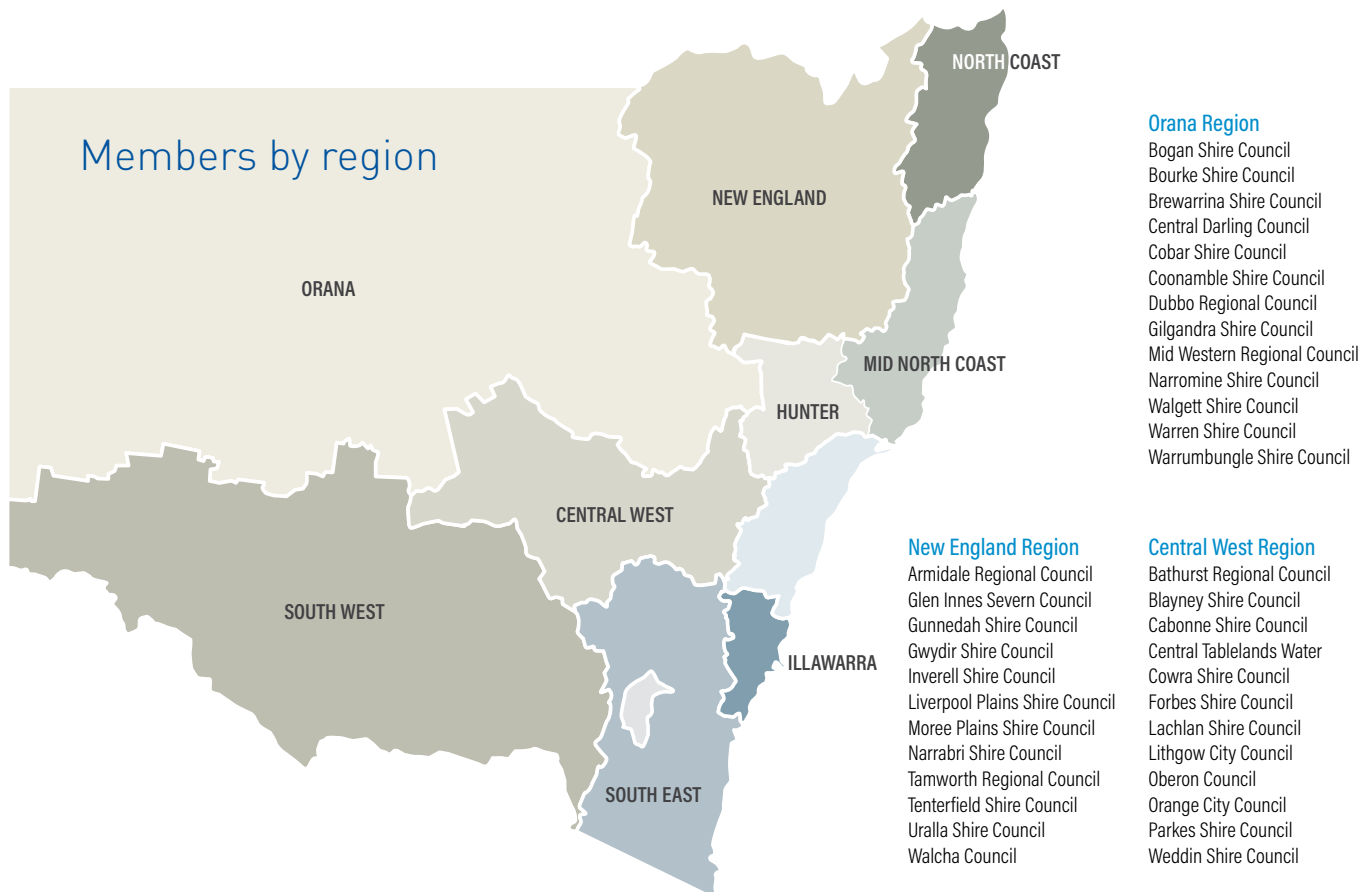
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
INCOME		
Membership fees	555,670	516,828
Sales -Manuals	4,400	4,316
Investment Income	9,198	5,122
Sundry Income	-	783
Change in net market value of investment	-	3,679
Total Income	569,268	530,728
EXPENDITURE		
Accounting and audit	7,670	7,490
Advertising sponsorship	60,350	25,598
Bank Charges	1,393	1,860
Computer expenses	3,632	9,253
Conferences, travel and accommodation	4,954	4,233
Consultants and technical support	63,486	119,550
Depreciation	1,682	1,170
Executive committee expenses	21,679	5,720
Insurance	6,618	4,854
IPWEA support - Management fees	101,843	99,680
Membership	10,000	10,000
Printing, postage and stationery	4,997	586
Salary	218,095	246,420
Total Expenditure	506,399	536,414
Surplus for the year	62,869	-5,686

Balance Sheet

AS AT 30 JUNE 2019

	2019	2018
	\$	\$
CURRENT ASSETS		
Cash at on hand and at Bank	361,598	385,152
Trade and other receivables	497,379	380,287
Prepayments	17,400	17,441
Debtors	0	0
Total Current Assets	876,377	782,880
NON CURRENT ASSETS		
Financial Assets	0	89,687
Total Non Current Assets	0	89,687
FIXED ASSETS		
Computers	8,166	4,829
Accum Depreciation	4,149	2,466
	4,017	2,363
TOTAL ASSETS	880,394	874,930
CURRENT LIABILITIES		
Trade and other payables	635,618	625,401
Short-term Provisions	71,605	139,227
Total Current Liabilities	707,223	764,628
NON CURRENT LIABILITIES		
Provision for Long Service Leave		
Total Non Current Liabilities	0	0
	0	0
Net Assets	173,171	110,302
EQUITY		
Retained Earnings	110,302	115,988
Surplus YTD	62,869	-5,686
	173,171	110,302



2018–2019 Priority Actions AT A GLANCE



Publications

- *Operations and Maintenance Manual for Water Reticulation*, August 2018
- *NSW Water Directorate Strategic Plan 2019-2024*, November 2018
- *Building in the Vicinity of Sewer and Trunk Water Mains Guidelines*, February 2019
- *Work Health and Safety Management Guidelines*, April 2019



Awards sponsored

- IPWEA NSW Conference Excellence Awards – Innovation in Water Supply and Wastewater Award
- LGNSW Excellence in the Environment Awards
- WIOA Operator of the Year Award
- AWA Ozwater Conference Attendance Award
- Sam Samra Award
- International Water Centre NSW Water Leadership Program Scholarship Award



Events

Water Directorate Forum at LGNSW
Water Management Conference at Armidale

Chair Water Stream at IPWEA NSW
Div Conference in Hunter Valley



Sponsorship

The Water Directorate is a Silver Member of WaterAid – an international non-profit that works to make clean water, decent toilets and good hygiene normal for everyone in the world.





WATER DIRECTORATE INCORPORATED

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