

Annual Review 2013 / 2014



Providing regional water authorities with independent, expert advice, technical support, shared industry knowledge, improved efficiencies and long term planning.



Cover photos provided courtesy of MidCoast Water



Chair Review and Executive Officer Review

CHAIR REVIEW

First I want to acknowledge our previous Chair, Stewart McLeod, who resigned from the position in March after serving almost eight years. Prior to being Chair, Stewart was also a Deputy Chair and is one of only two remaining members of the inaugural Water Directorate Executive Committee.

In particular I want to note the strong leadership skills demonstrated by Stewart that have provided the Water Directorate with a steady base to address ongoing challenges in the local government water industry. I am pleased that Stewart has elected to remain on the Executive Committee to continue providing us with the benefit of his extensive industry knowledge.

It is now seven years since local government water reforms were first proposed by the previous Government. In April 2014 the State Government appointed The Hon. Mr Kevin Humphries MP as the new Minister for Natural Resources, Lands and Water. The Water Directorate would welcome a formal response from Mr Humphries on behalf of the State Government to the proposed the local government water reforms.

In the absence of a formal response from the State Government the Water Directorate has continued to prepare submissions to the various government inquiries. In the past year we have prepared five industry-wide submissions. Preparing submissions is very time consuming, however, it is important because it ensures the views of industry practitioners are well represented. A copy of each of our submissions is available on the website to view in the members section.

A major focus of the Water Directorate over the next 12 months will be updating our extensive suite of manuals and guidelines. To do this we are considering the engagement of additional resources to ensure our technical documents remain current, timely and relevant for our member councils.

I would like to thank all the members of the Executive Committee for their involvement in our activities over the past year. I particularly want to thank retiring members David Byrne, David Tull, Eric Poga and Greg Finlayson who have been long standing members of the Executive Committee.

Finally I want to thank our member councils for your ongoing support. Your assistance and participation is a key reason for our success as a membership organisation.

Jeff Sharp

EXECUTIVE OFFICER REVIEW

The Water Directorate was initially established to fill a gap in technical expertise left by the abolition of the Department of Public Works in the mid 1990s. Since our first meeting in December 1998 the Water Directorate has produced more than 40 technical manuals and documents, distributed approximately 5,000 copies to members and sold over 1,110 copies to water industry professionals. This is an impressive feat for a small, not for profit organisation, with only one and half full time staff.

Over the past year we have continued to fulfil this objective and published another four technical documents: three documents were revisions of previous documents that required updates following legislative or policy changes and a fourth document was newly developed to assist LWUs to determine the environmental impact of their activities.

When the Water Directorate was established one of objectives was to showcase industry best practice through the sponsorship of specific water industry awards. This year the WIOA Operator of the Year award was won by Todd Pattison from Wyong Shire Council. The joint AWA/ Water Directorate Conference Attendance Award was won by Luke Whitten from Liverpool Plains Shire Council. Both were very worth winners of these highly contested awards.

In September we hosted our eleventh Water Directorate Forum at the LG NSW Water Management Conference in Terrigal and in October we hosted a Dam Safety Forum in Sydney to discuss the KPMG Review of the *Dams Safety Act 1978* and Dams Safety Committee report. The panellists, presenters and attendees made both these forums very successful events and we thank them for their participation.

During the past year Executive Committee members have represented the Water Directorate at the following events: the NWC Water Research Forum, AWA gala dinners and regional meetings, OzWater'14, WSAA meetings and both the NSW and Queensland WIOA Conferences. I particularly want to thank Executive Committee members for their ongoing commitment to representing the Water Directorate and promoting our activities.

Lastly I want to thank Stewart McLeod for his tireless support and contribution to the success of the Water Directorate over the past 15 years. I want to thank him for his leadership and assistance over the past eight years as Chair and I also want to thank Dubbo City Council and its General Manager for permitting Stewart's ongoing involvement.

Gary Mitchell

15 Years of Highlights



As an incorporated association, the Water Directorate has harnessed the collective knowledge and experience of the hundreds of committed water industry staff from regional and remote NSW over the past fifteen years. With the assistance of our 97 member councils we have been able to achieve the following:



1,132

TECHNICAL
PUBLICATIONS
SOLD



95%

OF ELIGIBLE LOCAL
WATER UTILITIES
ARE MEMBERS



94

EXECUTIVE
COMMITTEE
MEETINGS HELD



40

TECHNICAL
MANUALS AND
GUIDELINES
DISTRIBUTED TO
MEMBERS



14

EXCELLENCE
IN WATER AND
WASTEWATER
INNOVATION AWARDS
PRESENTED



175

MONTHLY NEWSLETTERS
PUBLISHED



13

IPWEA (NSW DIVISION) WATER
MANAGEMENT CONFERENCE
STREAMS CONVENED



11

LOCAL GOVERNMENT
NSW WATER
DIRECTORATE
FORUMS HOSTED

10



CONFERENCE
ATTENDANCE AWARD
WINNERS SPONSORED

2



LGSA ENVIRONMENTAL
BEST PRACTICE AWARDS
PRESENTED

7



OPERATOR OF THE
YEAR AWARD WINNERS
SPONSORED

High Priority Actions

A key objective of the Water Directorate is to provide technical advice and support to our member councils. We achieved this objective in 2013/14 by:

- producing relevant and timely technical publications
- making submissions to various government inquiries
- sponsoring industry best practice awards
- convening workshops on relevant industry topics and
- hosting an online discussion forum for water industry professionals

At the annual planning meeting our list of priority actions is reviewed and updated. Members are always encouraged to send suggestions for new projects and are formally invited to attend the Annual General Meeting in early November.

During the annual planning meeting our Strategic Plan is reviewed and updated. A copy of our current Strategic Plan is available on request. Project suggestions or enquiries should be sent to Gary Mitchell on gmitchell@waterdirectorate.asn.au

Publications, Submissions and Events 2013/14

JUL 2013

- Publication of the revised *Backflow Prevention and Cross Connection Control Guidelines*
- Executive Officer attended the National Water Commission's Water Research Forum in Canberra

AUG 2013

- Executive Officer attended the AWA Heads of Water Dinner in Sydney

SEP 2013

- Hosted the Water Directorate Forum at LG NSW Conference at Terrigal

OCT 2013

- Hosted a Dam Safety Management Forum in Sydney to discuss the KPMG Review of the Dams Safety Act 1978 and Dams Safety Committee
- Executive Officer attended the Annual WSAA Members meeting in Canberra

NOV 2013

- Executive Officer and Executive Committee members attended the WSAA Regional NSW meeting in Sydney

DEC 2013

- Submission made to the National Water Commission's 2014 Triennial Assessment Urban Water Futures

JAN 2014

- Publication of the *Guidelines for the Review of Environmental Factors*

FEB 2014

MAR 2014

- Submission made to the Joint Review of the *Water Industry Competition Act 2006* and Regulatory Arrangements for Water Recycling under the *Local Government Act 1993*
- Executive Officer attended the AWA NSW President's Dinner in Sydney

APR 2014

- Publication of the *Blue-Green Algae Management Protocols*
- Presented the WIOA Operator of the Year Award to Todd Pattison of Wyong Shire Council
- Submission made to the Local Government Acts Taskforce
- Submission made to the Independent Local Government Review Panel Final Report
- Executive Officer attended the AWA National President's Dinner at Ozwater in Brisbane
- Executive Officer attended the WIOA NSW Operators Conference in Orange

MAY 2014

- Presented the AWA Conference Attendance Award to Luke Whitten of Liverpool Plains Shire Council
- Submission made to the NSW Legislative Assembly, Committee on Legal Affairs

JUN 2014

- Published the *Cutting, Handling and Disposal of Asbestos Cement Pipes Guidelines*
- Executive Committee representative attended the WIOA QLD Operators Conference at the Gold Coast

Member Regions

Central West Region

Bathurst Regional Council
Blayney Shire Council
Cabonne Council
Central Tablelands Water
Cowra Shire Council
Forbes Shire Council
Lachlan Shire Council
Lithgow City Council
Oberon Council
Orange City Council
Parkes Shire Council
Weddin Shire Council
Young Shire Council

New England Region Council

Armidale Dumaresq Council
Glen Innes Severn Council
Gunnedah Shire Council
Guyra Shire Council
Gwydir Shire Council
Inverell Shire Council
Liverpool Plains Shire Council
Moree Plains Shire Council
Narrabri Shire Council
Tamworth Regional Council
Tenterfield Shire Council
Uralla Shire Council
Walcha Council

Central Darling Council
Cobar Shire Council
Coonamble Shire Council
Dubbo City Council
Gilgandra Shire Council
Mid Western Regional Council
Narromine Shire Council
Walgett Shire Council
Warren Shire Council
Warrumbungle Shire Council
Wellington Council

South East Region Council

Bega Valley Shire Council
Bombala Shire Council
Boorowa Council
Cooma-Monaro Shire Council
Eurobodalla Shire Council
Goulburn Mulwaree Council
Harden Shire Council
Palerang Council
Queanbeyan City Council
Snowy River Shire Council
Upper Lachlan Council
Yass Valley Council

South West Region Council

Albury City Council
Balranald Shire Council
Berrigan Shire Council
Bland Shire Council
Carrathool Shire Council
Cootamundra Shire Council
Corowa Shire Council
Deniliquin Council
Greater Hume Council
Griffith City Council
Gundagai Shire Council
Hay Shire Council
Jerilderie Shire Council
Junee Shire Council
Leeton Shire Council
Lockhart Shire Council
Murray Shire Council
Murrumbidgee Shire Council
Narrandera Shire Council
Riverina Water County Council
Temora Shire Council
Tumbarumba Shire Council
Tumut Shire Council
Wagga Wagga City Council
Wakool Shire Council

Hunter Region Council

Muswellbrook Shire Council
Singleton Shire Council
Upper Hunter Shire Council
Wyong Shire Council

Illawarra Region

Shoalhaven City Council
Wingecarribee Shire Council

Mid North Coast Region Council

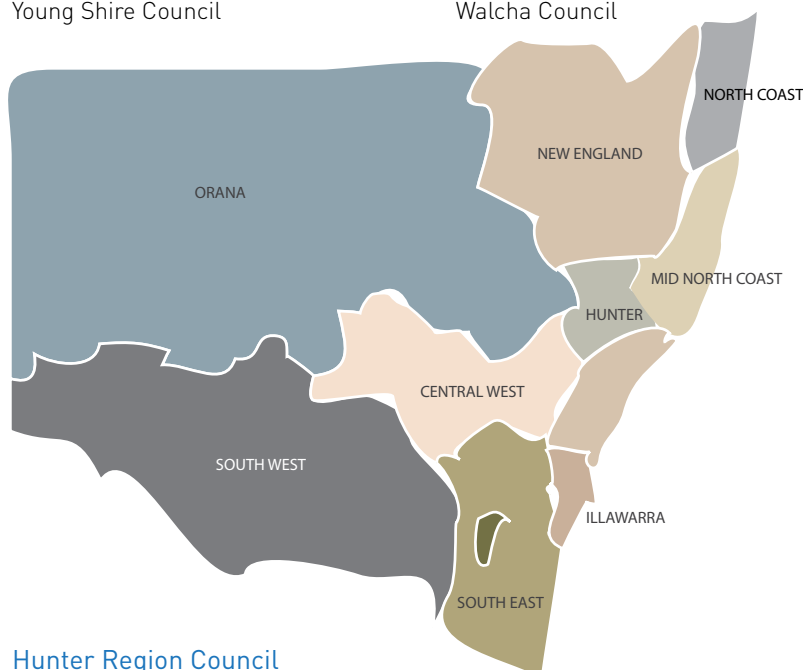
Bellingen Shire Council
Coffs Harbour City Council
Kempsey Shire Council
MidCoast Water
Nambucca Shire Council
Port Macquarie-Hastings Council

North Coast Region Council

Ballina Shire Council
Byron Shire Council
Clarence Valley Council
Kyogle Council
Lismore City Council
Richmond Valley Council
Rous Water Council
Tweed Shire Council

Orana Region Council

Bogan Shire Council
Bourke Shire Council
Brewarrina Shire Council





Executive Committee 2013/14

Executive Committee Attendance Record – Elected Representatives

Name	Council	Region	Attendance
Wayne Beatty	Orange City Council	Central West	6/7
David Byrne*	Cooma-Monaro Shire Council	South East	1/1
Jim Collins**	Bega Valley Shire Council	South East	4/6
Brett Corven	Eurobodalla Shire Council	South East	2/7
Russell Deans	Bathurst City Council	Central West	7/7
Greg Finlayson*	Riverina Water	South West	1/2
Alan Fletcher	Upper Hunter Shire Council	Hunter	6/7
Wayne Franklin	Rous County Council	North Coast	5/7
Brendan Guiney	MidCoast Water	Mid North Coast	6/7
Doug Hill	Tamworth Regional Council	New England	5/7
Tony Holmes	Shoalhaven City Council	Illawarra	6/7
Jason Ip**	Riverina Water County Council	South West	4/5
Heinz Kausche	Wagga Wagga City Council	South West	6/7
Greg McDonald	Wyong Shire Council	Hunter	3/7
Stewart McLeod	Dubbo City Council	Orana	6/7
Kerrie Murphy**	Narromine Shire Council	Orana	1/2
David Oxenham**	Tweed Shire Council	North Coast	5/6
Eric Poga*	Wellington Shire Council	Orana	1/6
Jeff Sharp	Port Macquarie Hastings Council	Mid North Coast	6/7
David Steller	Armidale Dumaresq Council	New England	3/7
David Tull*	Griffith City Council	South West	4/7

* Resigned or retired representative ** Nominated replacement or newly elected representative

The Executive Committee is comprised of 20 representatives, 18 elected members representing 9 local government non-metropolitan regions and 2 nominated from the Local Government NSW. The Executive Committee meets on a regular basis in Sydney to discuss the high priority actions and projects of the Water Directorate.

The strength of the Executive Committee is its depth of technical and managerial knowledge combined with the balance it creates between large and small councils from all areas of rural and regional NSW.

During 2013/14 we had three of our long term representatives retire from their council positions and the Executive Committee: David Byrne, Eric Poga and David Tull. The Executive Committee is very appreciative of their support over many years and we wish them well in their retirement.

In particular we thank David Byrne for his very valuable contribution to the projects and activities of the Water Directorate for 15 years as both a member and Chair of the Policy Subcommittee. David was an outstanding role model of the Executive Committee and provided peer review of many of our technical publications.

In addition, two Executive Committee members received medallions recognising their 15 years of voluntary service: Stewart McLeod and Doug Hill. Congratulations to Stewart and Doug who have been exceptionally generous with their time on the Water Directorate.

In December 2014 our biennial elections for representatives to the Executive Committee will be held. General Managers of member councils will be invited to nominate a regional representative following the AGM in November. If more nominations are received than positions available an election for that region will be held.

Financials



Income and Expenditure 2013/14 and 2012/13

	2014	2013
Income		
Membership fees	485,923	481,122
Sales – manuals and training	2,377	6,441
Interest income	22,816	21,779
Co-funding	0	8,637
Sundry income	300	0
Change in net market value of investment	3,426	3,669
Total income	514,842	521,648
Expenditure		
Accounting and audit	6,950	6,900
Advertising and sponsorship	18,725	19,237
Bank charges	347	288
Computer	3,368	14,962
Conferences, travel and accommodation	6,366	3,425
Consultants and technical support	103,609	54,671
Executive committee	13,359	8,878
Insurance	7,199	7,245
Industry membership	1,628	11,384
IPWEA secretariat support	55,891	52,500
Printing, postage and stationery	7,646	11,056
Salary	210,163	202,883
Total expenditure	435,251	393,429
SURPLUS FUNDS (funds used)	79,591	128,219
FUNDS HELD		
Balance beginning of period	369,509	241,290
Surplus (funds used)	79,591	128,219
Balance end of year	449,100	369,509

Income decreased slightly this year due to the absence of co-funding projects and a marked decrease in sales. Over the years, co-funding projects have been an irregular source of income and only occur when a common project is identified with other associations. The reduction in sales of our technical documents is largely due to the fact that in 2013 we made all our documents available online for members to download. Sales to members previously made up 75% of our total sales.

During 2013/14 overall expenditure increased by 10.6% as a result of a large increase in spending on consultants and technical support. This is a positive indicator that more of

our high priority projects are underway and/or are being finalised. During the year we completed eight technical documents and submissions that incurred consultant and technical support expenses. We also started two new technical documents and began the revision of three existing publications due for release in 2014/15.

At the end of this financial year our accumulated funds ratio is a very robust 87.2%, providing us with a very strong financial base for expansion. To assist with increasing the expenditure of the surplus funds the Executive Committee has resolved to employ additional project resources as required during 2014/15.

Financials

Forecast Budget for 2014/15

	2015	%
Income		
Membership fees	500,000	94.6
Sales – manuals and training	2,000	0.4
Interest income	23,000	4.4
Co-funding	0	0
Sundry income	0	0
Change in net market value of investment	3,500	0.6
Total income	528,500	100
Expenditure		
Accounting and audit	7,000	1.4
Advertising and sponsorship	20,000	4.1
Bank charges	380	0.1
Computer	4,000	0.8
Conferences, travel and accommodation	6,000	1.2
Consultants and technical support	100,000	20.4
Executive committee	14,000	2.9
Insurance	7,300	1.5
Industry membership	2,000	0.4
IPWEA secretariat support	52,500	10.7
Printing, postage and stationery	8,000	1.6
Salary	270,000	55.0
Total expenditure	491,180	100
FUNDS HELD		
Balance beginning of period	449,100	
Surplus (funds used)	37,320	
Balance end of year	486,420	

Office accommodation and clerical support are provided by the IPWEA (NSW Division). This long standing secretariat arrangement has provided us with great stability as a small incorporated association. Accounting services are provided by the IPWEA National Office.

We are pleased that our accounts for 2013/14 have been approved by the auditors. At their recommendation we have adjusted the income and expenditure categories used in this Annual Review to match the categories used in the audited report. In 2012/13 LWK Pty Ltd was reappointed as our auditors for a three year period ending in 2014/15.

Member councils are welcome to request a copy of the financial statements and/or the auditor's report for 2013/14. The audited financial statements will be presented at the AGM on 13 November 2014 and published on our website following that meeting.

Outstanding Local Water Utilities Performance



The 2012/13 NSW Water Supply and Sewerage - Performance Monitoring Report was released in April 2014. It highlighted the continuing improvements in the delivery of best practice water and sewerage services in regional NSW. The 2012/13 report card for all of the 105 local water utilities in NSW showed:

Full cost recovery for water supply by LWUs

100%

Compliance with the 2011 NHMRC Australian Drinking Water Guidelines by LWUs in urban areas

99.9%

Provision of water supply by LWUs to 1.81 million people

COVERAGE: **98%**

Full cost recovery for sewerage by LWUs

96%

Provision of sewerage services by LWUs to 1.69 million people

COVERAGE: **95.6%**

LWUs that have sound water conservation measures in place

94%

LWUs that have sound strategic, business, financial and asset management plans

92%

Overall compliance by LWUs with the NSW Office of Water Best Practice Management Framework

90%

LWUs that recycle water, mostly for agricultural purposes

84%

Average annual residential water usage decreased from 330 kL/property to 166 kL/property in 22 years

DECREASE: **50%**

Typical Residential Bill increased to \$1,165 over 18 years*

REAL INCREASE: **13%**

The 2012/13 NSW Water Supply and Sewerage - Performance Monitoring Report can be accessed in its entirety on the NSW Office of Water website at www.water.nsw.gov.au.

* This is less than the national median and lower than all the other Australian States and capital city utilities, except for country Victoria, Melbourne and Brisbane.





WATER
DIRECTORATE

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