

# Integrated WaterManagement Framework for Victoria

Closing the Loop  
Feedback Report

IWM Branch, July 2017



Environment,  
Land, Water  
and Planning

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# Having your say

Following the release of its *Water for Victoria* strategy in 2016, the Victorian Government released a draft *Integrated Water Management Framework for Victoria*, seeking industry feedback.

**The *Integrated Water Management Framework for Victoria* aims to help the Government, water sector and community work together to plan and deliver solutions for water management across Victoria's cities and towns.**

DELWP received 34 submissions from a broad range of stakeholders (Fig. 1), 15 of which were from local government. Peak bodies included the Municipal Association of Victoria (MAV), the Aboriginal Heritage Council of Victoria and the Australian Institute of Landscape Architects. Submissions were split relatively evenly between Melbourne and regional Victoria

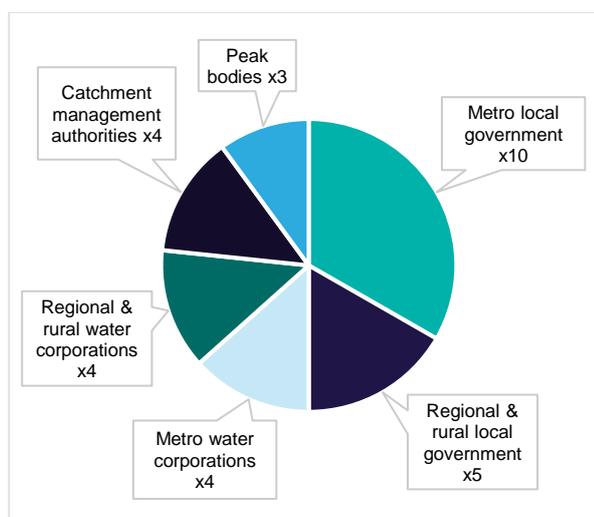


Figure 1. Breakdown of submissions by organisation.

88% of submissions explicitly supported the draft Framework

The submissions broadly supported the draft, and provided comments on how both the document itself and the Integrated Water Management (IWM) approach more generally could be improved and clarified. Key comments from the submissions included that:

- stakeholders are strongly supportive of:
  - water corporations leading place-based IWM planning
  - flexibility of methodology, but also request that relevant guidance be provided;
- clarity is required in the Framework around community and land use planning agency involvement;
- flexibility for IWM Forums is required, particularly where suitable existing alternatives exist.

## What we did with the feedback

Submissions covered the full breadth of the draft IWM Framework, and for ease of analysis and reporting, were broken down into the following thematic areas:

- Rationale
- IWM planning process
- Governance
- Stakeholder involvement
- Timing
- The role of the Department of Environment, Land, Water and Planning (DELWP)
- IWM Forums
- Funding
- Content

The key points in each submission were categorised into the thematic areas, and grouped according to organisation type.

This feedback will be incorporated in the final IWM Framework document.

# Themes

## 1. Rationale

*“The goal of implementing IWM solutions that provide multiple water services at best community value, irrespective of institutional structures, is supported.”*

### What we heard

There were relatively few comments on this theme. The comments that were received were largely from regional Victorian organisations. Key comments included that:

- organisations require specific support to deliver water cycle services at least community cost;
- the objectives and benefits of IWM involvement could be better articulated;
- water-related liveability may not be a priority in some regions.

17% of submissions commented on the rationale for the IWM program

### Our response

IWM Forums are expected to identify and prioritise areas that would most benefit from collaborative place-based planning. It is likely that some parts of the state will have more opportunities than others due to a range of drivers, and collaborative IWM planning can optimise community value from any investment to address these drivers.

Participants in IWM Forums will collectively determine priorities for each region. Involvement in IWM Forums provides stakeholders with an opportunity to ensure their priorities are included in any collaborative planning effort.

Clearwater and MAV are also working together to produce fact sheets on a range of benefits of IWM, aimed at specific audiences such as operational staff, managers, executives and councillors.

## 2. IWM planning process

*“Consideration of a 50-year planning horizon is strongly supported.”*

### What we heard

This theme was commented on extensively in the submissions.

54% of submissions commented on the IWM planning process

Key comments included that:

- the Framework should be flexible and adaptive;
- IWM Forums would benefit from an evidence-based framework to support prioritisation of regional issues, together with formats and working groups that support place-based planning;
- the methodology for options identification and prioritisation should be articulated;
- goals and targets to be achieved in IWM Plans, even if indicative, would be useful;
- IWM links to Regional Plans and Regional Partnerships processes, the Sustainable Water Strategies and the Urban Water Strategies should be clarified.

There were mixed responses regarding stakeholder capacity to participate in IWM Forums and a lack of data in some areas.

### Our response

Urban growth is a major driver for collaboratively planned water cycle servicing, and planning over a long horizon is critical to capture the full range of opportunities and constraints. Local governments should work closely with their water authorities to forecast and plan for growth and align their planning to the relevant urban growth data, including Regional Growth Plans and Urban Water Strategies.

A starter pack will be issued to IWM Forum participants, which will include guidelines for IWM planning, analysis and cost allocation. These guidelines are an example process only and should be tested through the Forums— the guidelines are meant to be flexible and adaptable to local circumstances.

Ideally, objectives will be collaboratively determined based on local context and priorities, and each forum may agree criteria for selection of opportunities, for example significant planned expenditure and investment. This means that goals and targets will be developed through agreed processes within each IWM Forum.

It is envisaged that IWM planning will be a useful input to the Metropolitan and Regional Partnerships, and may be able to leverage the extensive community input captured in that process.

### 3. Stakeholder involvement

***“Participation may change over time as different needs are established eg. community groups - flexibility to create subregional groups is important.”***

#### What we heard

Submissions on this theme were largely made by peak bodies and metropolitan councils, and included a clear request for clarity on how and when the community is to be involved.

43% of submissions had comments on stakeholder involvement

Key comments included that:

- stakeholders are supportive of:
  - representatives at both executive and practitioner (officer) level being involved in IWM Forums
  - consideration of private sector involvement in IWM Forums;
- agencies with a stake in land use planning (such as VicRoads, Parks Victoria, VPA, EPA, VicTrack and DELWP Planning) should be involved in IWM planning.

#### Our response

The IWM Forums are designed to capture the drivers of change, and identify the opportunities and constraints of defined areas with similar characteristics. Each IWM Forum should involve other stakeholders with an interest in the water cycle or land use planning on a needs basis, and consider whether involvement is more appropriate at the forum or IWM plan level.

Community involvement is important at the place-based IWM plan level, and should be considered appropriately through each IWM Forum. In many cases organisations will have a strong idea of their community’s aspirations. Annual Regional Assemblies are one example of a vehicle for community input.

### 4. Timing

***“Quality preparation, not speed, important for council involvement.”***

#### What we heard

Submissions on timing were largely about the establishment of the IWM Forums for each region and potential issues around budgetary processes and current workload.

Key comments included that:

- timeframes, even if aspirational, for the establishment of the first IWM Forums and delivery of projects would be useful;
- funding for IWM commitments may be out of sync with agency budgetary processes;
- there are potential workload issues, particularly for water corporations, given other strategies being prepared.

29% of submissions had comments about timing

#### Our response

Several of the metropolitan Melbourne and regional IWM Forums will be established by the end of 2017. The others will be established in consultation with the stakeholders in each area, on a staggered rollout within four years. Collaborative place-based IWM projects currently being planned should continue. Timing of project delivery within each IWM Forum is to be decided by the Forum itself, as each Forum will face unique circumstances.

DELWP acknowledges that challenges exist around alignment of organisational budgeting processes for funding commitments, given the proposed timing of Forum rollouts relative to pricing submissions and Council Plans that pricing submissions and council plans. One benefit of participating in the IWM Forums and the place-based IWM Plans and business cases

is that preliminary work and data will be ready if funding does become available.

## 5. Governance

***“We are supportive of water authorities leading the [IWM planning] approach, given their specialist water management knowledge.”***

***“We need to strengthen collaboration between water and land use planning.”***

### What we heard

There is broad support for water corporations leading local IWM place-based plans.

Strong support also exists to strengthen links between water and land use planning, by involving agencies not traditionally associated with water planning.

51% of submissions covered this theme

Key comments included that:

- alternative and more detailed governance options should be considered;
- clearer responsibilities should be outlined for Whole of Government, including its agencies (such as VicRoads, the Victorian Planning Authority);
- it is unclear who is responsible for the Strategic Directions Statement;
- local government’s role as urban stormwater managers should be highlighted;
- Statement of Obligations (SoO) and the Water Industry Regulatory Order (WIRO) should be modified to reflect and better justify water corporation investment in IWM.

### Our response

The governance structure proposed in the draft IWM Framework is meant to be both flexible and adaptable to local circumstances, and is open to co-design by Forum participants. While governance structures will vary between locations, all approaches must strike an appropriate balance between structure and agility, and acknowledge turnover of individuals over time.

The role of government in IWM is different to that of organisations involved in implementation and delivery. For example, DELWP is responsible

foremost for delivering the Government’s agenda, and more specifically for policy development, cross-sector information sharing and negotiation, and addressing barriers to implementation that delivery partners uncover. DELWP will work with government partners involved in land use planning and land management, such as the Victorian Planning Authority and VicRoads, on defining clearer IWM roles.

While the Forum participants will collectively own the Strategic Directions Statements, the coordinating authority role will be Forum-specific, and will depend on the activities proposed within, participants’ capacity and preferences.

Commitment to deliver on IWM plans and opportunities detailed within them remains the responsibility of Boards and councillors.

The final framework will include links to Regional Catchment Strategies and the relevant Aboriginal legislation and accountabilities, and the responsibilities listed under Table 1 will be modified to confirm local government’s role as urban stormwater managers.

DELWP will also explore options with partners to modify the statements of obligations (if required).

## 6. Role of the Department

***“The department should have a role in ensuring the policy settings are clear, in addition to ‘admin support’ and ‘knowledge transfer.’”***

***“We fundamentally support MCAs (multi-criteria analysis) that take into account long run marginal costs and include qualitative assessment of externalities and benefits to the community.”***

### What we heard

Submissions on this theme largely came from metropolitan organisations. The submissions requested further guidance on analysis and cost allocation, and increased support for stakeholders (responses to these have been partially covered in section 2, IWM planning process).

40% of submissions had comments on this theme

Key comments included that:

- cost allocation guidelines should be tested further with councils;
- DELWP should develop a systematic funding program and criteria for investment;
- draft template agreements should be provided to clarify implementation and maintenance arrangements between organisations;
- DELWP's role and commitment after four years should be confirmed at the outset.

### Our response

DELWP does have a role in ensuring policy settings are clear – currently there are several pieces of work occurring around this, particularly for the actions detailed in Chapter 5 of *Water for Victoria*. This includes action on stormwater management, by consulting widely on proposals to amend the Victorian Planning Provisions (VPPs) and finding the best mix of legislative, regulatory, financial and market-based incentives to complement the VPPs. DELWP will keep Forum participants and others informed of progress on relevant policy. The various project owners will consult broadly as appropriate. DELWP's cost allocation guidelines will be included in the starter packs as a draft, and these can be piloted and refined where necessary. Stakeholders may also have other preferred methodologies.

In some cases, developing robust business cases will be challenging and may need special support – work is underway on developing investment criteria where there is a public benefit, and budget bids are being planned for potential access to grant money in future years.

Some draft templates will be available but they will be Forum-specific and iterative.

The IWM program and DELWP's role will be reviewed prior to the end of the four-year period.

## 7. IWM Forums

***“Forums are supported and will be good for the regional approach.”***

***“Proposed executive level support is a good idea but may not always be possible – other mechanisms to ensure executive engagement should be in place.”***

### What we heard

The proposal to have IWM Forums was broadly supported, however there were several questions

about the size of the proposed Forums and potential duplication with existing forums, particularly in the regions.

57% of submissions covered this theme

Key comments included that:

- IWM Forum membership could have line of sight to agencies in the liveability and land use planning space;
- the need, role and suitability of proposed independent chairs is unclear;
- metropolitan Forum areas could be split into sub-catchments or ‘communities of interest’.

### Our response

As mentioned above, this process is to be co-designed with interested parties. In some areas, particularly regional Victoria, there are appropriate existing forums, and DELWP will work with those organisations to adapt the proposed Forum formats accordingly. This may also mean that independent Forum chairs may not be suitable in all forum regions. Where an independent forum chair is desired, part of their role will be to actively facilitate so that all parties are heard.

DELWP is currently funding a position at MAV to work closely with local government on their participation in the IWM Forums, and is also considering other ways to support ongoing local government involvement.

It is important to plan at the catchment scale to manage stormwater impacts, particularly in metropolitan Melbourne, given a significant proportion of the catchment is urban or urbanising. Nonetheless working groups will conduct detailed planning at smaller scales, with line of sight to catchment objectives at the forum scale.

## 8. Funding

***“Commitment to participate will require added resources from Councils, particularly rural councils that cross multiple forum boundaries.”***

***“Capacity building is critical, especially for councils with resource gaps.”***

### What we heard

Eighty per cent of regional councils provided comments on this theme. Questions exist around

whether funding is available to help organisations to participate or to help fund commitments. Submissions requested support for business case development, resources for the development of IWM Plans, and the creation of a special group with water expertise to assist certain councils with participation, business cases and/or IWM plans.

46% of submissions had comments on this theme

### Our response

DELWP acknowledges that collaboration is more difficult than traditional planning and takes time. However, we are increasingly seeing collaborative projects delivered that deliver better outcomes for communities, where IWM has demonstrated a clear value proposition for local government participation.

Support will be made available to councils on a case by case basis. DELWP will work with councils that wish to participate to identify how we can best support, building on submission recommendations. Access to water experts will be considered.

Councils that cover multiple forum regions may decide that most of their opportunities lie mostly in one region and so decide to attend one IWM Forum only. Priorities in other forum areas could be communicated through different means.

In addition, DELWP has engaged Clearwater to expand its role to include regional Victoria, and will be tailoring its program to cater for local circumstances.

## 9. Content

### What we heard

Many of the submissions (40%) gave some detailed feedback regarding content, and these cannot all be reflected in this report. However, all submission recommendations will be considered for inclusion as appropriate, with the intent of producing a stronger Framework.

Key comments included that:

- a section on monitoring, reporting and evaluation would be useful;
- greater emphasis is needed on stormwater, particularly given a lack of understanding and monetisation of waterway health

benefits, and competition for demands with other sources of alternative water;

- fact sheets would provide useful information and act as conversation starters for the regions;
- more regional case studies and a stronger link to catchment management is needed.

### Our response

All comments provided through submissions, including those highlighted above, will be considered as we finalise the Framework document.

Additionally, Clearwater will be developing fact sheets on various aspects of the process for use in both metro and regional forums. It would be useful for partners to work through Clearwater and MAV to identify which aspects should be prioritised.

