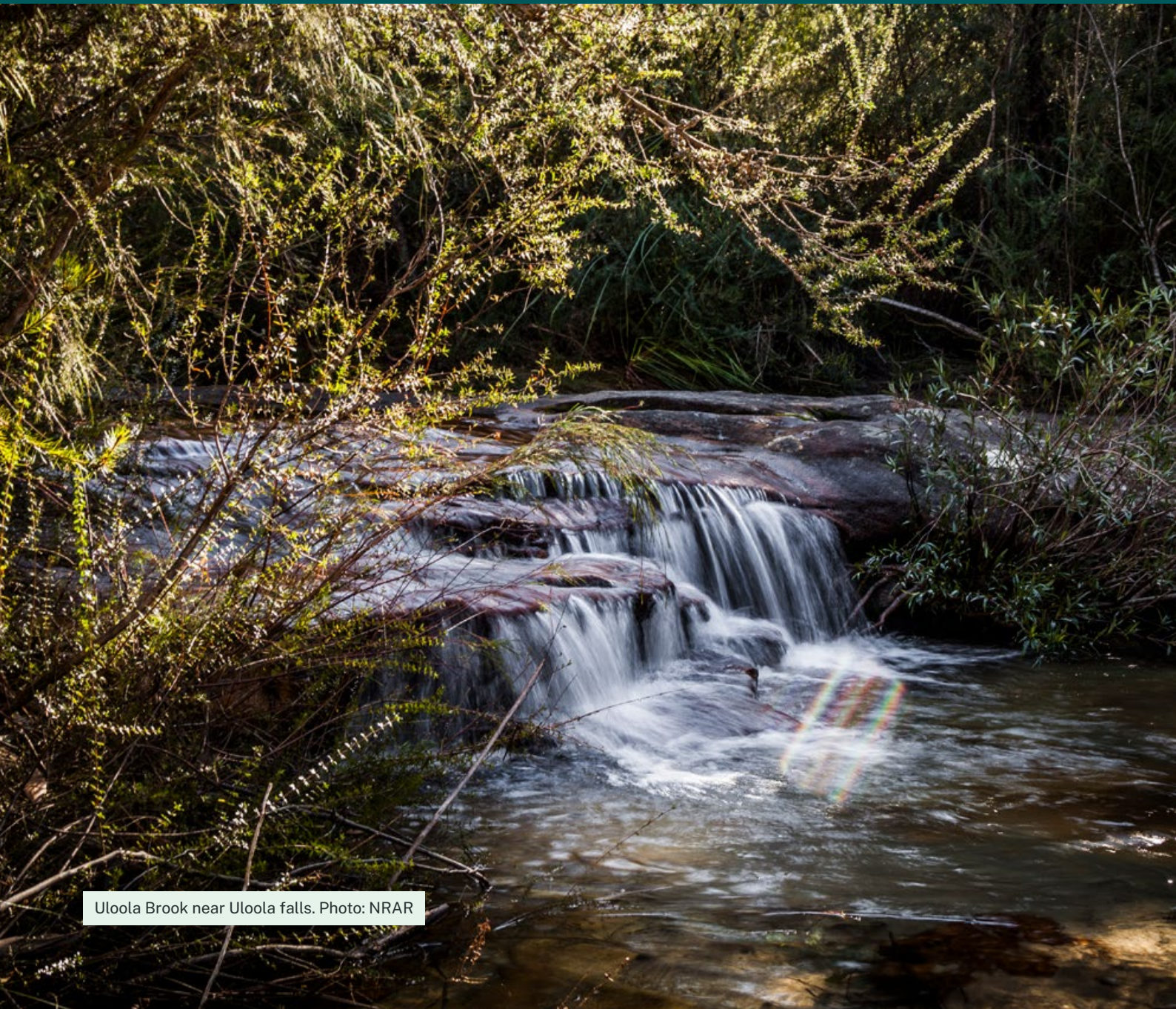


Progress Report 2023-24

nrar.nsw.gov.au

October 2024



Uloola Brook near Uloola falls. Photo: NRAR



Hunter wetlands. Photo: NRAR

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Message from the board

The NRAR Board is pleased to present our sixth progress report in which we celebrate the achievements of 2023-24 and some crucial milestones in the ongoing work of the NSW Natural Resources Access Regulator (NRAR).

The NRAR story is a remarkable one of establishing an organisation and prosecuting a clear and simple vision to deliver sustainable and fair water regulation for NSW.

We have now secured a budget that will underpin this vision. It will enable us to achieve even better results and support the independence that has brought this agency so far since its 2018 establishment.

On top of this, a year of work and public consultation has gone into a comprehensive proposal to the Independent Pricing and Regulatory Tribunal (IPART). IPART examines the prudence and efficiency of NRAR's compliance operations. IPART will evaluate this proposal before communicating its findings in mid-2025.

We commend the many NRAR staff who worked so hard during the year to make the compelling financial case critical to restoring public confidence in water regulation.

The results of a Community Benchmarking Survey released by NRAR in January 2024 confirmed that the people of NSW want better water management.

The survey found that 70% of the public surveyed believe water theft is a problem, and 84% want stronger action to fix it. Encouragingly, it also found that most stakeholder groups believe that because of NRAR, rule breakers are more likely to be caught.

During 2023-24, we worked towards better outcomes in water management. Dynamic organisations regularly rethink and remake their goals, and to that end, we ratified a new set of regulatory priorities to ensure efficient use of resources.

These priorities are guided by the agency's underlying ethos of concentrating on areas that pose the highest risk of harm to communities, the environment and other water users.

Consequently, the non-urban metering rules remained in our sights, especially for those who use large amounts of water and have the greatest potential to cause harm.

We also continued to make progress in ensuring compliance in the irrigated agriculture sector, particularly in the Murray, Murrumbidgee and Far North Coast areas.

Overdrawn accounts - where people take water they haven't ordered or use more than they are allowed - have long been a concern and remained a regulatory priority for 2023-24.

As we move into the next financial year, an important review of NRAR's governance arrangements will begin to ensure its independence and effectiveness. Read more on page 10.

The NRAR Board thanks NSW Minister for Water the Hon. Rose Jackson for her ongoing commitment to NRAR as it continues to effectively and efficiently regulate water use and uphold water laws.

We also thank the whole NRAR team for 12 months of excellent work. Their dedication and adaptability through policy reviews and other challenges have kept the organisation moving towards its goals.

The Hon. Craig Knowles
Chair,
Natural Resources
Access Regulator



Message from the Chief Regulatory Officer

The sustainable management of finite water resources is one of the most significant challenges facing NSW in the next 20 years. For the Natural Resources Access Regulator (NRAR), the journey toward achieving this goal continued during the 2023-24 financial year.

People, communities, industries and the environment depend on the effective management of water so everyone gets a fair share.

The work of NRAR is crucial. We make sure the rules are followed, and water users meet their obligations. We work to build public confidence in the regulatory system to benefit all water users in NSW.

This role has been especially important as we move toward ensuring the NSW Government's non-urban metering reforms are put into practice. Over the past 12 months, our staff have contributed their expertise, experience and insights to a thorough review of these reforms, working alongside our colleagues from the NSW Department of Climate Change, Energy, the Environment and Water.

The NSW Government has, at the time of writing in September 2024, released a recommendations report detailing the proposed changes, which seek to accelerate non-urban metering compliance.

Another significant achievement during this financial year was our successful budget application to the NSW Treasury, which secures the agency's day-to-day operations for a further year.

Our funding proposals were successful because we made a strong case about our efforts to restore the public's confidence in water regulation. Our 'boots on the ground' and 'eyes in the sky' programs, supported and enabled by teams across NRAR, have earned the respect and confidence of the government.

NRAR continued to observe the value of outreach, engagement and education activities in helping water users who don't understand their legal obligations to comply. Some 3,700 site visits were conducted across NSW to check basic water management issues, examine 5,000 licensed works and offer advice and guidance to water users.

NRAR's proactive compliance campaigns used satellite and other remote sensing technology to assess and analyse more than 22.6 million megalitres (ML) of water entitlements across NSW. Tens of thousands of properties and accounts were examined and licensed water works checked, resulting in 675 investigations. You can read more about these projects on pages 11 to 18. While NRAR is committed to helping people comply, the agency does not hesitate to take serious action when breaches of the rules cause harm or are willful and deliberate.

In March 2024, NRAR achieved its largest total fine since operations began in 2018. A former regional wine company and its manager were together fined close to \$800,000 by the NSW Land and Environment Court. A very significant result you can read more about on page 20.

We also continue to seek innovative outcomes from our enforcement actions. An example of this is underway in the Narrabri region where a landscape restoration project using water ponding began in May. This restorative justice project is funded from an NRAR enforceable undertaking with a coal company accused of taking surface water without a licence. Read more on page 9.

I am enormously proud of the achievements of NRAR and its staff in 2023-24. Together we are engaging, educating, and enabling voluntary compliance. We are enforcing the law for deterrence and fairness, and we are championing improvements to the regulatory system. It is exactly what the people of NSW expect of us.

Grant Barnes
Chief Regulatory Officer,
Natural Resources
Access Regulator



Acknowledgement of Country

The Natural Resources Access Regulator acknowledges that we stand on Aboriginal Land. We acknowledge the Traditional Custodians of that land, and we show our respect for Elders of the past, those of the present, and those who are emerging. We do this through thoughtful and collaborative approaches to our work and by demonstrating our commitment to providing places in which Aboriginal people are included socially, culturally and economically.



1

A year of progress



NRAR staff using a castable depth sounder. Photo: NRAR

NRAR achievements

Coverage



800,000
square kilometres of
land regulated



197,000
kilometres of
waterways in NSW



169,073
licensed works subject
to regulation in NSW

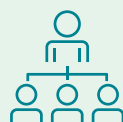


1,300+
storage dams
in NSW

Staffing



21
offices
across NSW



201
total number of
employees



63%
of staff are
regionally based



8%
increase in
employment
of women

9.6%
increase in
employment of
over 55s

Educating and enabling



127
face to face meetings
with key stakeholders



20
stakeholder
events attended



3,649
site visits conducted



5,000
works inspected



23
targeted
education
sessions
delivered

Building public confidence



28,490
social media
engagements

1,543
media mentions
in print, digital,
TV and radio



100,065
website views

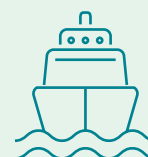


Technology use



22 **31**
drones pilots

3km
new range of
autonomous
survey boat



Compliance outcomes

Irrigated agriculture



316,880

ML volume of water assessed by audit

47

investigations underway

229

properties checked by desktop audit

1,532

works checked by desktop audit



Groundwater

12

investigations underway

208,092

ML in water entitlements assessed

73%

increase in monthly reporting of water use

648

bores assessed

402

properties checked

Overdrawn accounts



>36%

reduction from previous year in amount of water overdrawn

11.8

GL of water entitlements more effectively protected

Flood works



205

works assessed

113

properties inspected

33

investigations underway

Metering



8,167,082

ML of water entitlement examined

8,581

northern and southern inland high and medium volume works assessed

3,605

works were assessed through the site visits

Law enforcement



368 enforcement actions



1 prosecution started

3

prosecutions concluded



70 penalty notices issued



127 directions issued to stop work or take remedial action



76 formal warnings/ official cautions issued

Community and environmental benefits

Collaboration and creativity are key NRAR values as the agency seeks not just to enforce the law, but also to deliver real benefits for NSW. We will take strong action when there are serious breaches of the water laws. However, we also seek unique and innovative outcomes that benefit communities and the environment.

At-risk groundwater

Understanding of some of the state's most at-risk underground water sources has been boosted thanks to the efforts of NRAR and hundreds of NSW water licence holders.

NSW groundwater resources are becoming increasingly vulnerable due to changing climate conditions, population growth and water demand. These water sources are also heavily relied upon during drought and when surface water availability is reduced.

An NRAR education campaign focused on water users in seven at-risk groundwater sources. This led to a significant increase in the number of monthly self-reports of water meter readings to WaterNSW. We are also trailing push messaging services to assist water users to comply with their monthly reporting obligations.

This data is needed to set sustainable water allocations for groundwater sources at risk of over-extraction. The reports also mean water users must closely monitor their own water take to avoid breaking the rules.

In the first six months of the 2022-23 water year, just 96 monthly reports were lodged. In the same period in 2023-24, the number had risen to 442. While we're encouraged by this increase, more needs to be done and the project is continuing.

Read more about this project in the compliance outcomes section on page 13.

Supporting fish breeding

In November 2023, NRAR worked with Cudgegong River landholders near Mudgee to protect an environmental flow aimed at mimicking ideal breeding conditions for native fish like the endangered eel-tailed catfish. The flow also benefited other river animals like yabbies, mussels, native water rats and platypus.

During the event, water licence holders along the river were not allowed to extract water unless they ordered it first from WaterNSW and had confirmation that this water had been released for them.

NRAR staff made contact with the majority of licence holders along the river from Windamere Dam to Burrendong Dam, urging them to support the environmental project by staying within the rules. We found just over 60% had been aware of the upcoming flow event.

Managed by the then NSW Department of Planning and Environment, the flow resulted in the Cudgegong River level rising up to 60cm above the normal base flow for 21 days during October and early November.



Watch the video

Wee Waa water ponding site. Photo: NRAR

Rangeland restoration

Hard claypan landscapes in the Narrabri region will be restored over time thanks to an enforcement action by NRAR.

Northern Slopes Landcare began delivering the project in May 2024. It aims to re-establish vegetation and improve soil moisture on difficult-to-manage land on local properties. The project will have a range of positive outcomes for the environment, landholders and the community.

Initial funding for the program comes from an enforceable undertaking (EU) between NRAR and Boggabri Coal Operations Pty Ltd, after the company allegedly took surface water without a licence and collected it in temporary and permanent storages between early 2019 and April 2022.

The company's payment of \$10,000 toward a community project focused on water management in the local area was among six obligations of the legal agreement.

The project started with a Landcare hosted education workshop for landholders at Narrabri about the benefits of rangeland rehabilitation using a technique known as water ponding.

Water ponding involves constructing ponds on hard claypan landscapes to slow overland flow. Slowing water movement in this way has been shown to increase soil moisture, improve soil structure and encourage the return of vegetation and biodiversity.

After the workshop, several properties were selected to join the program and will have ponds built over time.

Among attendees at the workshop was Wee Waa farmer Jason Dixon who is already successfully using water ponding on his property. He explained that it had turned 20 hectares of unusable hard claypan into productive farmland.

"Water ponding definitely makes a big difference. More vegetation, more growth. I'm getting more use from the water,"

- Jason Dixon, farmer.

Mr Dixon said positive outcomes included increased grazing productivity, improved drought resilience, better soil, more vegetation cover and less erosion.

"This paddock in particular was very scalded and not much vegetation at all. It was a very hard block before we started the ponds," Mr Dixon said.

Policy reviews

Governance and administration review

NRAR has regulatory oversight of several government entities that deliver services to water users in NSW, including the Water Administration Ministerial Corporation (WAMC), WaterNSW, NSW Department of Climate Change, Energy, the Environment and Water (NSW DCCEEW) and local councils. NRAR is domiciled within the NSW DCCEEW-Water Group who provide funding and corporate services essential to agency operation.

After over six years of operations, the board and staff have learnt much about NRAR's operating framework and environment - both pitfalls and opportunities. We are now moving to strategically position the agency to best deliver the quality regulation and oversight that we know will achieve even better water outcomes for NSW.

The NSW Minister for Water invited the NRAR Board to advise her on the current governance administrative arrangements. The board is reviewing how arrangements could be strengthened to ensure we have the most appropriate structure to support NRAR's independence and fulfill our legislative requirements. This review will examine our available powers, funding, employment delegations and policy and legal services to identify any potential issues that may affect our ability to deliver independent regulation.

The reviewer will consult relevant agencies and stakeholders to provide an interim report in October 2024, followed by a final report in November 2024.

Non-urban metering

The NSW Government began a significant review at the end of the 2022-23 financial year. This review was based partly on evidence from NRAR that barriers to the policy implementation must be addressed. The review included consultation with water users, and in February 2024, the NSW Government released the *What We Heard* report detailing the feedback received during the consultation period. The feedback informed the final recommendations to the Minister for Water, which can be viewed at the Water Group's web page at water.nsw.gov.au/metering-review



Compliance outcomes

During the 2023-24 financial year, NRAR focused on three annual priorities:

- irrigated agriculture
- overdrawn accounts and
- non-urban metering.

NRAR's compliance campaigns aligned to these priorities and used satellite and other remote sensing technology to assess and analyse more than 22.6 million megalitres (ML) of water entitlements across NSW.

Tens of thousands of properties and accounts were examined and licensed water works were checked. This was followed by detailed desktop assessments and site visits of thousands of properties. Enforcement actions have been

issued to around 178 properties with associated entitlements and water volumes of 625,000 ML.

Six hundred and seventy-five (675) investigations stemming from key projects are still underway.

Results of those campaigns are detailed in this section of the progress report.



NRAR staff reviewing satellite technology. Photo: Salty Dingo



Murrumbidgee River Floodplain. Photo: NRAR

Improving floodplain connections (IFC)

The IFC program focuses on improving floodplain connectivity and health. This program is led by the NSW DCCEW -Water Group with funding provided by the Commonwealth Government.

The problem

Unapproved flood works can alter the flow of water across the floodplain. This can cause harm to others or damage adjoining properties. It can also harm the environment. To address this problem, NRAR is part of a multi-agency project bring unapproved structures posing the highest risk of harm into compliance. Unapproved structures need to be removed or approved as a flood work, with or without modification.

Why this matters

As flood works alter the flow of water across the landscape, there can be unintended consequences for those who construct the work as well as their neighbours. The altered flow can cause erosion or permanently change watercourses. These structures prevent water from getting to where it should and impacts on the environment and flood dependent ecosystems.

Our approach

The NSW DCCEW -Water Group undertook an assessment in identified 'Hotspots'. This process initially identified 223 properties using satellites and remote sensing technology for further evaluation by NRAR's compliance staff. From this, 113 properties and 205 works were further assessed by a desktop audit and then by a site visit conducted by NRAR. These inspections covered 97 hotspot areas in the north of the state to confirm the location and condition of alleged illegal flood works.

The project team recorded the size, shape and precise location of the unapproved works and an appropriate action was determined by comparing that information with relevant floodplain management plan zones and rules, and advanced water modelling. In some cases, this meant the landholder could obtain approvals for the works. In other cases, flood works had to be modified or removed because they could not comply with rules in floodplain management plans, designed to prevent unacceptable impacts on the landscape.

Before removing any identified works, the team conducted a detailed examination of ownership, construction, use and impact. Of the 223 flood works in the program, 42 were assessed as needing to be removed and 95 were assessed as capable of obtaining a flood work approval.

Outcomes

In the first phase of this project, the IFC team identified 205 compliance issues for further investigation and 33 investigations are continuing. In the next phase, they identified 42 flood works requiring removal. Action has been taken on three of these and the remainder are pending. The IFC program is expected to conclude in the middle of 2025. Once removal work is completed, positive outcomes are expected including:

- less erosion
- the restoration of water flows to flood-dependent ecosystems and cultural assets
- improved floodplain connectivity
- the return of water to downstream users.

Monthly meter reporting

The problem

Recent changes in reporting obligations under the non-urban metering reforms have meant that more water users need to report their water take. Some water users have installed telemetry devices that report automatically. But those who haven't must send monthly meter readings manually. Few water users reported their monthly water use in areas where many have manual reporting obligations. So, NRAR targeted at-risk groundwater sources in NSW and set out to increase the level of monthly reporting.

Why this matters

- Groundwater is an essential resource for NSW, supporting communities, industry, and fragile groundwater dependent ecosystems.
- Improved data collection through self-reporting is essential for effective groundwater management. It ensures the long-term health of this vital resource and secures a sustainable water future for the state.
- Ground water sources are vital and are relied upon by water users during times of drought.

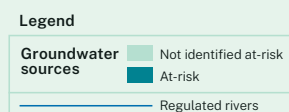
Our approach

In 2023-24, our monthly meter reporting campaign focused on seven groundwater sources deemed at high risk of damage from over-extraction. The groundwater sources targeted by the program were:

- Eastern Recharge (North Star, Croppa Creek)
- Lower Gwydir (Moree, Ashley)
- Lower Namoi (Narrabri, Burren Junction)
- Upper Macquarie Alluvial (Narromine, Wellington)
- Lower Murrumbidgee Deep Groundwater (Narrandera, Balranald)
- Lower Lachlan Groundwater (Lake Cargelligo, Oxley)
- Upper Murray Groundwater (Albury, Corowa).

We reached licence holders through face-to-face meetings, phone calls, SMS and letters. We also reached them through media and social media.

Groundwater sources in NSW



Outcomes

The seven water sources contained 4,862 water supply works located across 686 properties. Collectively they held a water entitlement of almost 560,000 ML.

NRAR staff conducted detailed desktop assessments of 402 properties with 648 works and an associated 208,292 ML of water entitlement that needed to be accounted for and reported against.



NRAR continues to remind water users of their reporting obligations. In some cases, enforcement actions have been issued to water users who continue to be non-compliant with these obligations. Enforcement relates to five works on four properties and involved 319 ML of water entitlement.

At the end of June 2024, 12 investigations were continuing as a result of this project. In 2024-25, we will expand the project to thousands of water users across NSW monthly reporting obligations in at-risk groundwater sources.

Across the seven groundwater sources, the following results were achieved:

- 73% increase in the rate of groundwater reporting
- greater cooperation between landholders and NRAR
- A cost-effective opt-in SMS reminder service implemented to remind water users to log data
- improved understanding of fragile underground water sources.

Overdrawn accounts

This priority project focused on identifying water accounts that have gone into a negative balance. NRAR regulates people who have taken more water than their licence allows and ensures that laws are enforced, making it a level playing field for all water users.

The problem

NRAR discovered that 6% of NSW water accounts were overdrawn in 2021-22 totaling more than 40,000 ML. This amount of water is equivalent to about 10% of Sydney Harbour.

In some cases, the overdrawn amount was due to accounting errors or incorrect licence usage. These created false positives that complicated compliance efforts. Using advanced models and algorithms, we can now filter these out to focus on real breaches. This means we can take appropriate regulatory action on a case-by-case basis.



NRAR officer checks a pump. Photo: NRAR

Why this matters

Outdated behaviour and poor water management practices meant some industries wrongly believed it was acceptable to overdraw water accounts if they paid for the water later in the same year. We worked to raise awareness across the state to correct this belief and encourage better water practices.

Overdrawing your water account is not only against the law but when you take more than you've been allocated, you may be taking water intended for someone else or for the environment.

Our approach

We developed an automated dashboard to identify overdrawn accounts and flag them for further investigation. This innovative approach makes our teams highly efficient at scanning thousands of licences and gigalitres of water every year.

The team initially assessed over 12,000 accounts using this technology.

Together these accounts contained almost 12 million ML of entitlement or enough water to fill 4.8 million Olympic sized swimming pools.

From this, the team audited 139 accounts (86,728 ML of entitlement) from the 2022-23 water year based on rankings provided by data analysis. At the same time, NRAR assessed accounts from the 2021-22 water year to identify persistent unlawful activity.

Action, including enforcement, was taken on 12 accounts, involving more than 2,000 ML of entitlement.

Twenty-nine investigations are continuing as a result of this project.

Outcomes

This project has improved our detection of overdrawing and helped focus on accounts at risk of being, and continuing to be, overdrawn. It has provided greater assurance of water distribution in NSW and to ensure that water users take only what they are entitled to. The work has provided assurance of millions of ML of water entitlement. Other results included:

- The amount of water overdrawn in 2022-23 was reduced by more than 36% on the previous year to 25,478 ML.
- The percentage of water accounts found to be overdrawn fell from 6% to 3%.
- Looking at historical water accounts in the 2021-22 cohort, we identified 15 more water users who were breaking the rules.
- From 258 desktop audits on high-risk accounts, we found 20% weren't following the rules.
- We issued 42 advisory letters, 10 warning letters, 1 caution and 1 penalty notice. Advisory letters also include fact sheets that help educate water users to assure that reoffending doesn't occur in the future.

Irrigated agriculture

The problem

In 2023-24, the irrigated agriculture project addressed unlawful water take and storage for commercial use, beyond that of harvestable rights. This is an important issue, given that irrigated agriculture accounts for 80% of water taken in New South Wales.

The priority project aimed to reduce illegal water take and storage and to promote proper water ordering and accounting practices.

Goals of the project included:

- helping water users to obey the law
- reducing oversized harvestable rights dams and removing unlawful dams from the landscape
- removing illegal dams
- returning water captured beyond lawful limits back to other water users and the environment.

Why this matters

Hydrological models show that even small farm storages greatly impact downstream water flows. In dry years, they can capture most of the runoff, leaving little water downstream.

The Murray-Murrumbidgee and Far North Coast regions are experiencing water stress due to increasing horticulture and changing weather patterns. These were the target regions for the project based on spatial analysis identifying high priority properties. As horticulture grows and weather patterns change, the demand on water resources increases. The community expects irrigation water to be captured, stored and used lawfully.

Outcomes

NRAR engaged with 101 water users and took two enforcement actions to bring landholders into compliance. Forty-seven more investigations are continuing due to the project. Where enforcement wasn't required, we assisted landholders into compliance by directing them to WaterNSW to obtain the required approvals.

More than 650,000 ML of water in storages is now better assessed by our eyes in the sky programs in the Murray-Murrumbidgee and Far North Coast regions. The work also improved compliance with administrative requirements, water usage regulations and the water practices of many farms.

By finding and stopping illegal water activity, we've helped secure our water's future. We have improved industry compliance with water regulations, and we have enforced the rules that balance agricultural and environmental sustainability. This work is vital for our community, culture, industry, and environment.



Our approach

The first step used satellites and other remote sensing technology to assess 22,350 properties, which contained 78,627 dams or other works. This represents approximately 654,000 ML of water stored on farm.

This was followed by further detailed desktop assessment of 229 properties with 1,532 works and water stored of 316,900 ML. Next was a site visit to 75 properties to further assess compliance. These 75 properties held 14,331 ML of water in storages that were potentially above that of lawful limits.

Metering

The problem

We are responsible for ensuring compliance with the non-urban water metering rules as they roll out across the state. These rules were introduced in 2018 and aim to ensure that the vast majority of water is accurately measured in NSW.

In the 2023-24 financial year, we concentrated on remaining high volume works due to comply in the northern inland, and in the southern inland now that their metering deadline had passed.

Why this matters

The non-urban water metering reform is one of the most significant changes to water management in NSW in the last few decades. Ensuring accurate measurement of water take protects NSW water sources and improves water management.

We focused on ensuring high-volume, active works are compliant as the top water users are a high-risk group. In the southern inland, the top 20% of water users collectively use approximately 80% of the region's total licensed water entitlements.

The approach

Our Regulatory Initiatives (RI) teams identified the highest-risk active works within both regions using spatial analysis and intel on water use.

They then checked the compliance status of these licence holders, making sure they:

- have a clear understanding of their obligations
- are acting to get into compliance
- are aware of the potential consequences of not meeting the metering requirements.

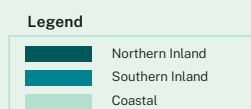
For the northern inland they checked the compliance status of the remaining 3,200 identified high and medium volume water users through:

- 758 desktop assessments to identify all linked approvals, water management works, properties, ownership and compliance requirements
- 465 site visits.

For the southern inland they checked the compliance status of the 300 top water users through:

- 377 desktop assessments
- 157 site visits.

NSW metering map



Outcomes

Across the northern and southern inland, 8,581 works were assessed via desktop audits, representing over 8,100,000 ML of water entitlement.

A further 3,605 works were assessed through the site visits, representing over 5,500,000 ML of water entitlement.

As a result, 160 enforcement actions were taken against 345 works. These enforcement actions included 43 official cautions, 20 warning letters and 97 directions.

This work demonstrates NRAR's commitment to ensuring high-volume, active works comply with the metering rules.

The teams gathered valuable information about the compliance status of the state's largest water users, contributing to the policy aim that “the vast majority of licensed water take is accurately metered.”



How we enforce the law

NRAR's approach to enforcement

NRAR's Investigations and Enforcement (I&E) branch carries out complex investigations into serious alleged breaches of water law, supported by NRAR's Legal team. They work together to ensure that breaches of water law are dealt with efficiently and enforced effectively in line with the agency's priorities. The Legal team is staffed by lawyers from the NSW Department of Climate Change, Energy, the Environment and Water (NSW-DCCEEW).

NRAR is a risk-based regulator, which means we examine each case on its merits. We consider the potential harm to the environment or other water users, the offender's culpability and compliance history, and their attitude towards complying with water laws.

NRAR undertakes a range of activities to educate and promote voluntary compliance from water users, however when serious and willful law breaking happens, we act. Court cases from this financial year will have ongoing impacts on how we regulate water, and on how we achieve a culture of compliance across NSW.

Compliance attitude

Criminal intent and illegal activity; recidivist, reckless, wilful conduct and/or serious harm

Tendency to offend; intentional non-compliance, and/or harm

Unintentional non-compliance; willing to comply, but not sure how to

Knows what is expected and willing/ incentivised to do what is right

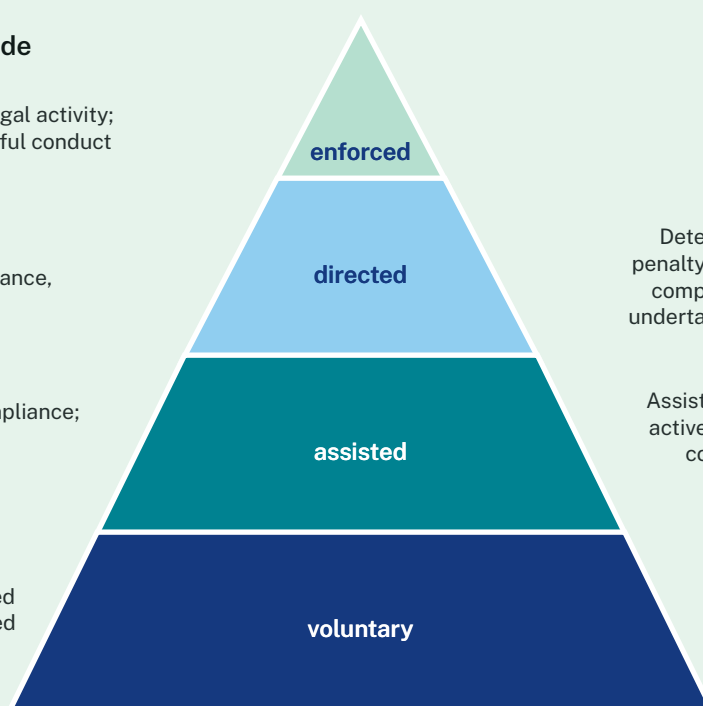
Our regulatory tools

Use full force of the law: prosecution, licence suspension or revocation

Deter by detection then action: penalty infringements, directions, compliance orders, enforceable undertakings, financial recoveries

Assist to comply: use risk-based active monitoring, system audit, corrective actions, guidance and education

Make it easy - offer advice and guidance through stakeholder outreach and promotional campaigns



Actions at the top of the pyramid support actions at the bottom by clarifying expectations and demonstrating that those who don't comply will be held to account

Prosecutions

Prosecutions progress over the 2023 - 2024 financial year

started	concluded	ongoing	convictions	dismissed	withdrawn	guilty, no conviction
1	3	4	2	0	0	1

Record fine for buried pipes

In March, a former Wentworth region wine company and its manager were together fined close to \$800,000 by the NSW Land and Environment Court after they pleaded guilty to illegally tapping into a Western Murray Irrigation (WMI) pipeline and taking water from it.

It was the largest fine achieved by NRAR since it was established in 2018.

On 27 March 2024 the company was convicted and fined \$562,500, while the former vineyard manager was convicted and will pay \$195,000 (total of \$757,500). The defendants also agreed to pay NRAR's court costs of \$95,000.

The offences took place at two separate vineyards between 2016 and 2019 and involved illegal extraction of just under 365 ML of water. The court heard that at the time of the offences, this water had a market value of up to \$305,000.



Vineyard owner and former wine company fined. Photo: NRAR

In her judgment, Justice Sandra Duggan found the offender's conduct was "intentional" and intended to benefit Jindalee Wines. She found the offences formed "part of a planned or organised criminal activity" that took place over a long period of time.

Evidence presented to the court detailed how pipes of various sizes had been used to tap into the main supply pipeline and then bypassed metering equipment. The illegal pipework was buried underground and allowed unmetered water to be taken and used for irrigation.

Western Murray Irrigation (WMI) first detected the illegal set-up after anomalies appeared in meter readings. This prompted further investigation by WMI staff who found evidence of tampering and reported the allegations to NRAR in March 2020.

NRAR then began its own thorough investigation before launching the prosecution in April 2023.

This is the first time NRAR has prosecuted under sections 342 and 343 of the *Water Management Act 2000*. These sections are intended to protect water supply infrastructure and stop water being illegally taken from it.

Inaccurate meters lead to fines

In June, a Wee Waa farming enterprise was fined \$25,000 for taking water when the meters were not working properly.

Lidokew Pty Ltd was sentenced in the NSW Land and Environment Court on three charges under Section 91 I (2) of the *Water Management Act 2000*.

The company was ordered to pay \$8,333 for each offence and lodge public notices about the result in *The Land* and the *North Western Courier* newspapers.

The matter was brought to court for offences that occurred between January and April 2019 during the severe 2017-20 drought.

In her judgment, Justice Sandra Duggan said the criminal conduct demonstrated in the case had a significant negative impact on the water management regime in NSW.

"I accept that the criminal conduct demonstrated in the proceedings undermines the efficient and equitable sharing of water and further undermines the capacity for sound future decision making with respect to future allocation of water."

Still in court

Awaiting sentence

A water user from Clybucca on the north coast has been found guilty of 12 charges under the *Water Management Act 2000* and is awaiting sentencing in November 2024.

NRAR started this prosecution in 2023 after a series of offences near nationally significant wetlands. The defendant has been found guilty of:

- 4 counts of using a dam without approval
- 2 counts of constructing or extending a dam without approval
- 6 counts of carrying out controlled activities on waterfront land without approval.

The illegal dams have a combined capacity of approximately 165 ML of water - enough to fill 66 Olympic swimming pools.

The offences occurred in the Kempsey region between December 2017 and February 2021, which included a very dry period.

The Clybucca estuary is near the irrigator's property. It makes up a large network of Aboriginal reserves containing nationally significant wetlands and cultural heritage.

The matter came to the attention of NRAR after an anonymous tip off from a member of the public.



Aerial view of Clybucca Estuary. Photo: Google Earth

Enforceable undertakings

If a company or individual breaches water laws in a significant way, they sometimes propose to NRAR that they enter an enforceable undertaking (EU) to remedy the breach as an alternative to court action. An enforceable undertaking must contain actions to address the rule-breaking and to acknowledge the breach of the *Water Management Act 2000*.

In deciding if an EU is the right course of action, NRAR considers what happened, how serious it was and whether there is a history of rule breaking. An EU will not be accepted unless NRAR considers it can deliver positive outcomes in the public interest.

One EU was finalised in the past financial year with a range of outcomes and conditions.

You can read about an EU involving Boggabri Coal Pty Ltd on page 9.

Revised guidelines

NRAR published updated guidelines in the first half of 2024 to provide clarity and streamline the way enforceable undertakings are proposed, assessed and managed under the *Water Management Act 2000*. The update demonstrates the agency's commitment to reviewing and improving its approaches to compliance and enforcement.

The main changes include:

- clearer definitions and benefits
- detailed considerations for accepting an EU
- streamlined proposal process and content requirements
- innovative examples for EU proposals
- public disclosure and strict monitoring of EU compliance.

The revised guidelines reinforce our ability to collaborate with external parties to ensure they help us meet our joint responsibilities efficiently. They also emphasise the environmental and community benefits of engaging with parties accused of violating water rules, ensuring our actions support broader public interest goals.

Find out more at nrar.nsw.gov.au/EUs

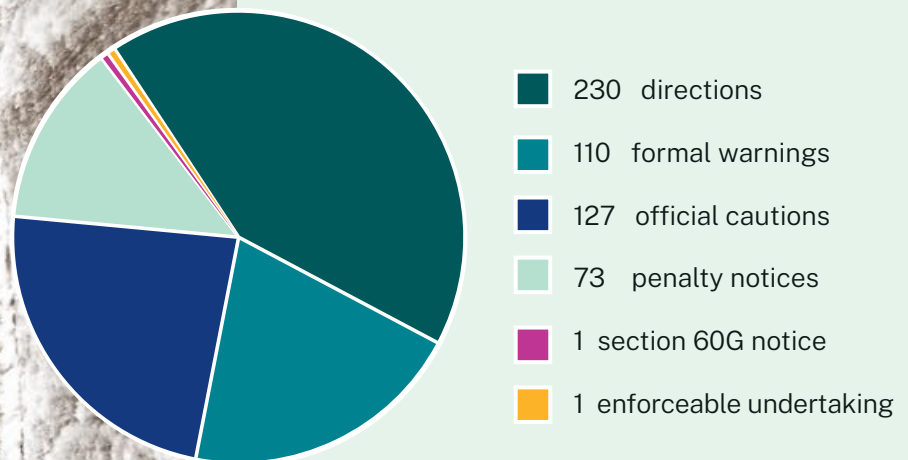


More on EUs

Other ways we respond to non-compliance

NRAR has a range of enforcement actions available, and decisions about how we respond to breaches are made according to our Regulatory Policy.

During 2023-24, NRAR's response to breaches of NSW water law also included:



Stop work orders and directions

Among the responses available to NRAR are statutory directions such as stop-work orders, directions and remediation notices.

This sort of response typically happens when offending behaviour continues and there is a threat of significant harm to a water source or the environment. We may also issue directions to remove illegal pumps or dams, install water meters or restore damaged waterways. These orders and directions may be issued before we complete an investigation. Details of stop work orders and directions issued by NRAR are made available to the public on our online public register at nrrar.nsw.gov.au/public-register

Molong Creek below the Lake Canobolas Reservoir wall. Photo: NRAR

CASE STUDIES

Bathurst region

The offence

Work or actions on waterfront land are strictly controlled to protect waterways and their surroundings from damage. In this case, NRAR found that a landholder had illegally dumped building waste into a creek line - including soil and concrete.

Our response

NRAR initially issued a stop work order under section 328 of the *Water Management Act 2000* to prevent further harm being done. A further direction was then issued under section 333 of the same act to repair and remediate the site. NRAR worked closely with Bathurst Regional Council which further strengthened the response by issuing a clean up notice that required the dumped material to be taken to a legal waste facility.

The result

The dumped concrete and waste material has been removed from the creek and disposed of properly. Rehabilitation of the creek is now occurring, including planting native trees, a food source for the local Koala population. The planting of koala-friendly trees is also intended to provide a vegetation corridor between two Koala populations in the area.



Koala friendly trees planted in a creek near Bathurst to remediate after illegal dumping. Photo: NRAR

Gunnedah region

The offence

From December 1, 2020, large water users with pumps 500mm and above were required to have a compliant meter that accurately measures water take and a local intelligence device that records water usage and reports that information to the government. A water user who had not installed the required metering told NRAR that they wanted to take water for commercial irrigation through two 500mm pumps, directly contravening the *Water Management Act 2000*.

Our response

In September 2023, NRAR issued a stop work order to prevent the illegal taking of water without a compliant meter.

The result

Within 16 days of issuing the order, NRAR received confirmation that the landholder had successfully installed compliant metering equipment. This meant that NRAR could revoke the stop work order, allowing the licence holder to pump water for irrigation.

Educating and enabling people

NRAR's Education and Engagement branch has a three-pronged purpose to educate, enable and encourage voluntary compliance. In the 2023-24 financial year, the branch had three key goals:

1. foster an understanding of the rules and NRAR's regulatory practice
2. make water compliance a shared responsibility
3. understand those we regulate and the communities we serve.

Activities that educate and engage water communities build public confidence in NRAR and NSW's water regulation and enforcement.

Online learning

In early 2024, NRAR launched a self-paced online course on the fundamentals of water regulation. The course was developed in collaboration with TAFE NSW. The course content is aimed at Certificate III and Certificate IV qualification levels. It is made up of three mandatory modules, five elective modules and incorporates a 'decision tree' tool to assist users to determine which modules are relevant to their situation.

Since launch in April (to June 30)



396
people enrolled



100%
of participants agreed or strongly agreed that the course would help them comply with water rules



98%
of participants enjoyed the course and would recommend it to others.



Scan the QR to learn more about the online course

Tailored talks

NRAR conducted 23 education seminars for 13 different organisations in 2023-24. They were attended by 342 people.

Sessions were run in person and online and included drought resilience workshops, duly qualified persons training, and bespoke water law education sessions.

Tailored education sessions are a way for NRAR to educate and inform water users about how the rules apply to their situation.

Surveys run at these sessions showed that attendees left feeling more informed about water rules (more than 53%) and with a greater sense of trust and confidence in NRAR's work.

Education staff also presented at conferences to increase awareness of NRAR's regulatory practices and approach, including at the Environmental Health Australia NSW conference and the AELERT NSW/ACT Conference.



NRAR staff hold a education session with landholders at Burrumbuttock. Photo: NRAR

If your members or community would benefit from a detailed look at water law, email the education team at education@nrar.nsw.gov.au

Field days

Almost 700 conversations with stakeholders were made possible through NRAR's field days program during the 2023-24 financial year.

Common topics discussed included licences and approvals, stock and domestic rights, harvestable rights, and metering. As part of these discussions, staff showed visitors how to use various publicly accessible tools, including WaterNSW harvestable rights calculator, SIX Maps and the NSW water register.

Field days contribute directly to increasing public knowledge of NRAR's activities as a regulator. Ninety-nine per cent of stakeholders we surveyed during the events said they found the discussions useful.



8
field day
events

343

conversations on specific
water compliance concerns

70 hrs

spent discussing
the water rules
with people

355

conversations with water
users about NRAR and its
regulatory practices

Boosting understanding

Increasing knowledge and understanding of non-urban metering regulations among stakeholders was a key focus area for engagement staff during 2023-24. At least 28% of all engagements related to non-urban metering and accurate measurement (190 engagements).

Staff worked to strengthen relationships with key water users and industry groups in the southern Murray Darling Basin. This involved sharing information with the five largest irrigation operators, private water and groundwater groups, industry groups, and both compliant and non-compliant councils.

We participated in NSW DCCEE-led stakeholder engagement events particularly focused on the non-urban metering policy review, attending and presenting at four roundtable engagements, three online public information sessions, and ten Customer Advisory Groups.

Climate change resilience

Understanding the impact of a less predictable and changing climate on compliance with the water rules is crucial to the effective and efficient management of water resources in NSW.

NRAR staff worked with various industry groups to better understand these impacts, including on horticultural industries in the southern Murray Darling Basin such as nuts, citrus, winegrapes, rice, and cotton.

We strengthened relationships with other key stakeholders in this region including environmental agencies, councils, and independent researchers.

We have improved our understanding of industry vulnerabilities, challenges, and market trends impacting water compliance, which will inform our activities in the future.

NRAR staff talking with landholders. Photo: NRAR



NRAR staff at field days. Photos: NRAR

Outreach

In 2023-24, NRAR's outreach team focused on NSW coastal regions and visited more than 3,500 landholders. These face-to-face visits provided the chance to work closely with water licence holders to make sure they understood the rules and were meeting their obligations.

Reinspection program

NRAR outreach officers went back and revisited nearly 300 properties last financial year to check if water licence holders had addressed previous water law breaches. The majority of these inspections were on-farm visits.

The reinspections focused on sites that had previously had compliance issues with oversized works, expired approvals, and often weren't recording water take in logbooks.

These types of issues may seem minor, but all breaches of the law are important to address. Collectively, these types of administrative issues can cause large problems.

Over 60% of the revisited properties had become compliant between the first and second visits, which shows the important role these visits play in changing water user behaviour.

For those still non-compliant, further advice and assistance were provided. Data gathered during this project will help refine NRAR's future outreach activities.

Floodplain harvesting project

The roll out of the NSW Government's floodplain harvesting reforms continued in the last financial year, with NRAR providing a key compliance role.

Deadlines for the installation of compliant meters were reached in the Border Rivers, Gwydir, Macquarie, and Barwon Darling water sharing plan areas.

Desktop assessments were completed in the Border Rivers, Gwydir and Macquarie. The floodplain harvesting outreach team followed up by contacting water users to assess their progress toward installing the compliant meters on their water storages. The team has started another round of callbacks to those water users to encourage them to comply. Soon we will begin contacting water users in the Barwon Darling.

The data and information gathered during this process will inform NRAR's future activities around compliance with floodplain harvesting rules.

Read more about how we detect floodplain harvesting on page 30.



NRAR outreach staff out in the field. Photo: NRAR

Aboriginal spiritual and cultural water

In the 2023-24 financial year, NRAR reinforced its commitment to protecting and prioritising Aboriginal cultural and spiritual connections to water.

A project team was formed to explore ways to better integrate this enduring priority into our daily regulatory functions. The team's recommendations were accepted and are set to be implemented in 2024-25. The recommendations focused on three key organisational areas:

1 Embedding cultural water values: integrating the protection of cultural water values into existing compliance and enforcement policies, systems, and programs.

The team identified methods to better embed these values in NRAR's regulatory practices. We have identified ways to support the protection of Aboriginal Cultural Heritage by collaborating with other regulatory agencies including NSW Environment and Heritage and NSW EPA.

2 Improving cultural awareness and capability: enhancing cultural awareness and capability within the organisation.

Twenty per cent of NRAR staff engaged in NAIDOC Week activities in various parts of the state. And over 100 staff joined NRAR's first annual 'Yarn Up!' for Reconciliation Week. Additionally, 30% of staff completed cultural awareness training this year.

3 Fostering respectful relationships: building respectful, culturally safe, and reciprocal relationships with Aboriginal communities across NSW.

We interacted with NSW Aboriginal communities with 90 engagements across four key events. We have built strong ties with key stakeholders in Aboriginal community engagement teams at NSW water and environmental agencies. This collaboration has enabled NRAR to participate in existing Aboriginal community engagements, expanding our network and reducing the risk of consultation fatigue for the communities.

NRAR remains dedicated to continually striving to improve our engagement with Aboriginal communities and enhance the protection of their cultural and spiritual connections to water.

CASE STUDY: Yarn Up! 2024

More than 100 staff joined NRAR's first annual Yarn Up! for Reconciliation Week. This was the highest participation rate of a cultural awareness event since NRAR was set up in 2018. Expert panel members were:

- NRAR Board member, Gomeroi man Phil Duncan
- Acting Director Aboriginal Water Program, NSW DCCEEW, Kabi Kabi/Waka Waka woman, Sharni Jones
- Senior Project Officer NSW Strategic Partnership and Stakeholder Management, Biripi woman, Roxanne Saunders
- NRAR Project Officer, Warumungu man Andrew Den.

Together they shared their perspectives and life experiences about reconciliation.



Yarn Up! event for Reconciliation Week. Photo: NRAR

National Reconciliation Week is held from 27 May to 3 June each year. Reconciliation Australia states that 'at its heart, reconciliation is about strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples, for the benefit of all Australians.'

Research, development and technology



Satellite image of storages across the Murray-Darling Basin. Photo: Sentinel

Satellite detection

There was significant improvement in the use of satellites to detect potential illegal floodplain harvesting (FPH) across the northern Murray-Darling Basin in NSW during the 2023-24 financial year.

Progress was made under the \$35 million Commonwealth-funded Hydrometric and Remote Sensing (HNRS) Program.

This multi-agency project involved the expertise of staff from:

- NRAR
- Department of Climate Change, Energy, the Environment and Water
- Bureau of Meteorology (BoM)
- Murray Darling Basin Authority
- Geoscience Australia
- Queensland Regional Development, Manufacturing and Water

The problem

FPH was the largest form of unmetered water take across the NSW section of the Murray-Darling Basin. Together, roughly 1,300 storages across the state may hold an estimated 1,300 gigalitres of water or 2.5 Sydney Harbours.

Accurately measuring water harvested from floodplains is a key NSW Government reform. It requires landholders who wish to harvest water from a floodplain to install water level sensors in their storages. At the end of the financial year, only 286 floodplain harvesting storages had water level sensors installed, covering just 495GL of the total 1,300 GL of storage capacity.

Our approach

NRAR developed a dashboard to automate detection and monitoring of potentially illegal, large-volume floodplain harvesting across all 1,300 storages and 618 associated properties in the NSW northern basin. The dashboard integrates satellite estimates of water volume changes in each storage with all metered water take from regulated, unregulated, groundwater and floodplain water sources.

The dashboard enables NRAR to quickly and accurately assess which of the relevant storages were filled during any major floodplain rainfall runoff event since 1 July 2016. It also calculates the volumes of water taken that have not been metered.

The spatial and data analytics team is developing refinements to NRAR's FPH monitoring capabilities. These include the calculation of exempt rainfall-runoff volumes from the developed areas of each property by inputting BoM rainfall-runoff data into the FPH dashboard.

Information and Communication Technology

E3 (Educate, Enable and Enforce) is a multi-year program of projects targeted at improving Information and Communication Technology (ICT) capability across NRAR. These improvements support the efficiency of the agency.

The first project focused on replacing NRAR's existing case management system with a more modern, customised compliance platform. NRAR ran a robust procurement process to find a long-term business partner. We invited 10 regulatory systems leaders to tender for this major change. Submissions were evaluated on compliance with NSW Government policies, track history, functionality, price, and the ability to evolve with NRAR on its regulatory journey.

Objective RegWorks was selected as NRAR's future water compliance management system. It will become our primary business system for compliance, investigation, and managing regulatory business processes.

The platform will have an online portal for public reports of suspicious activities, a 'back office' for day-to-day operations, and a mobile component for in-field work. NRAR is on track for the system to go-live in the second half of 2024.

The second project involved launching a new intranet site, the NRAR Hub. Having in place a modern intranet will aid NRAR's internal communications and ensure NRAR staff are well informed, empowered to share stories and receive clear and consistent messaging.

Centralising our internal channels into one easy-to-navigate hub means messages reach more people with greater impact.

Intelligence-led regulation

The Intelligence team is responsible for developing NRAR's annual regulatory priorities. These play a central role in NRAR's strategy to encourage voluntary compliance and solve problems that have the greatest impact on water management.

This year, we used a range of data to identify priority areas. The data came from internal sources, community reports, licence conditions, water accounts, water allocations, and ongoing satellite monitoring. We also undertook horizon scanning to identify how drivers, such as climatic and economic conditions, were likely to affect compliance behaviours. This information was used to develop campaigns and guide operational teams to target those most at risk of non-compliance within priority areas. This ensures NRAR drives positive compliance change in the water sector.

See page 55 for more information about our annual regulatory priorities.

Drone upgrade

In early 2024, NRAR upgraded its drone fleet. The new fleet is more capable, easier to use, has greater endurance and can collect evidence three times faster. This translates into higher quality evidence and an ability to cover more ground in the time available.

NRAR introduced Light Detection and Ranging (LiDAR) laser equipped drones in 2023-24. These operate under the department's Remote Operations Certificate. LiDAR drones give NRAR the ability to fly drone missions beyond visual line of sight, in complete darkness, in restricted airspace and even in the rain when required.

LiDAR greatly increases NRAR's ability to collect highly accurate and detailed terrain and elevation data, which further improves our ability to detect and measure structures and areas of interest.

High-resolution photogrammetry collected by drones has been used in many NRAR investigations and several prosecutions. It has boosted NRAR's regulatory decision-making and our ability to show the nature of an alleged breach. NRAR has been using drones since 2020 and currently has 40 pilots and 20 drones.

Drone data is used to model and measure the shape and size of storages, flow diversion structures and surrounding landforms.



NRAR staff testing the new drones. Photo: NRAR

Bathymetric survey boat

One of the powerful tools in NRAR's collection is a 'bathymetric survey' autonomous unmanned boat.

The boat was purchased in 2021 to survey large floodplain harvesting dams. In the last 12 months, our specialist team has boosted the capabilities of the boat by:

- improving the battery system to extend its endurance from 1 to 7+ hours
- adding an on-board navigation computer, radio remote control and live-status monitoring, which allow us to modify mission plans without having to return to shore
- extending the operational range of the boat from 300m to more than 3km by adding data telemetry radios used to send sonar and location data to the ground station PC
- installing more capable software able to monitor heading, roll and pitch, track and set mission speed, and to monitor battery cell voltages and temperatures.

These enhancements dramatically change how NRAR uses the bathymetric boat and extend it well past its original design capability. This represents a great return on investment and responsible use of public funds.



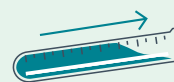
Newly upgraded bathymetric boat has a range of 3km. Photo: NRAR

Understanding the value of water

We commissioned a second report on the value of water entitlements in NSW and released it to the public in October 2023. It builds on our first Value of Water Report in 2021-22 and shows that tradeable water entitlements have increased in value. They were worth over \$29 billion two years ago. In 2023, they are estimated to be worth up to \$34 billion. This is a 17% increase in two years.

For the first time, the new report sought to put a dollar value on town water (\$5.8b), as well as stock and domestic supplies (\$0.8b).

We now have a far better understanding of the value of the water entitlements we regulate and the economic benefits that flow from their use.



An increase in tradeable water entitlements up to

\$34 billion

Town water
value of
\$5.8 billion



Stock and domestic
supply value of
\$0.8 billion



Community survey

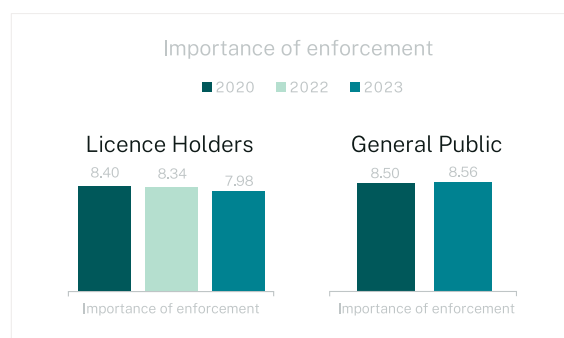
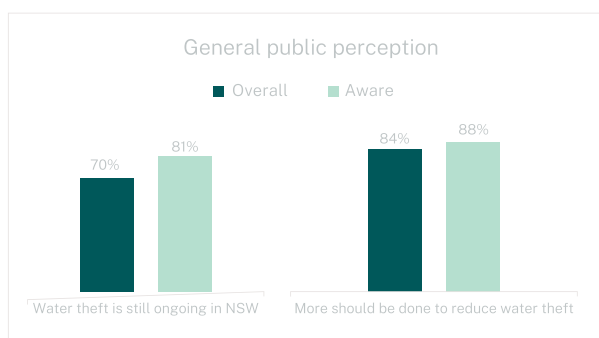
A new Community Benchmarking Survey completed at the end of 2023 showed that most people believe water theft is an ongoing problem in NSW and want more done to stop it.

It found that 70% of the public surveyed believed illegal water take was happening, and 84% wanted stronger action to combat the problem.

The survey was the strongest signal yet that people want a well-resourced and effective water regulator in NSW.

It found that whether respondents were water licence holders or members of the public, they wanted a well-resourced, strong regulator on the beat in NSW.

A total of 1,615 people were surveyed including 1,118 licence holders and 450 members of the public.



Building public confidence

Enhancing our website

This year, we reviewed the NRAR website to improve its readability, content and layout. We simplified complex language across the site to ensure our information was easy to understand. We also updated page layouts and ensured content accuracy and relevance to provide a better user experience. The review will increase public confidence in our work and demonstrates our commitment to the NRAR values of inclusivity and integrity.



NRAR's proactive outreach program dashboard

Reporting what we do

NRAR's function is to provide fair, transparent, efficient and accountable water law enforcement. Key to ensuring transparency is regular reporting of compliance activities through our compliance reporting tool on NRAR's website. This online tool allows people to quickly explore what's happening in their area and across NSW.



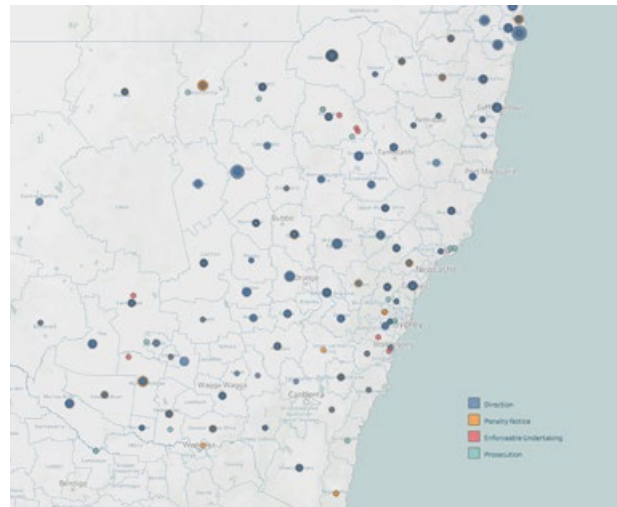
View the dashboard

In the 2023-24 financial year, the tool was redesigned to make it simpler to use and easier to understand. By hovering over some headings and information symbols, users of the tool can read explanations of the data and how to interpret it. Data in the dashboard is updated each month.

For the first time, a public dashboard can show people all the actions carried out under the proactive outreach program which works directly with licence holders to help them comply with water rules. The new dashboard shows the number of properties, licences and works inspected as well as the most common advice and education given. The dashboard is on the proactive outreach program page of our website.

Making enforcement public

As part of providing transparent and accountable enforcement of NSW water laws, NRAR publishes the details of its more serious regulatory enforcement actions in a public register on our website. The information is intended to act as a deterrent to those who might consider breaking the rules, and to increase public confidence by showing that laws are being enforced. The public register includes a heat map to show the geographical distribution of various kinds of actions - from directions and orders to stop work or remediate, to penalty notices, enforceable undertakings, or court prosecutions.



Public register available on the NRAR website.



WIN TV covering an NRAR story near Mudgee. Photo: NRAR.

Media and social

NRAR uses many communications channels to ensure people hear about our activities and can feel confident that water is being managed effectively for the benefit of the people of NSW.


During 2023-24, we continued to use social platforms such as LinkedIn, Facebook, YouTube and X, as well as traditional media to amplify important compliance messages.

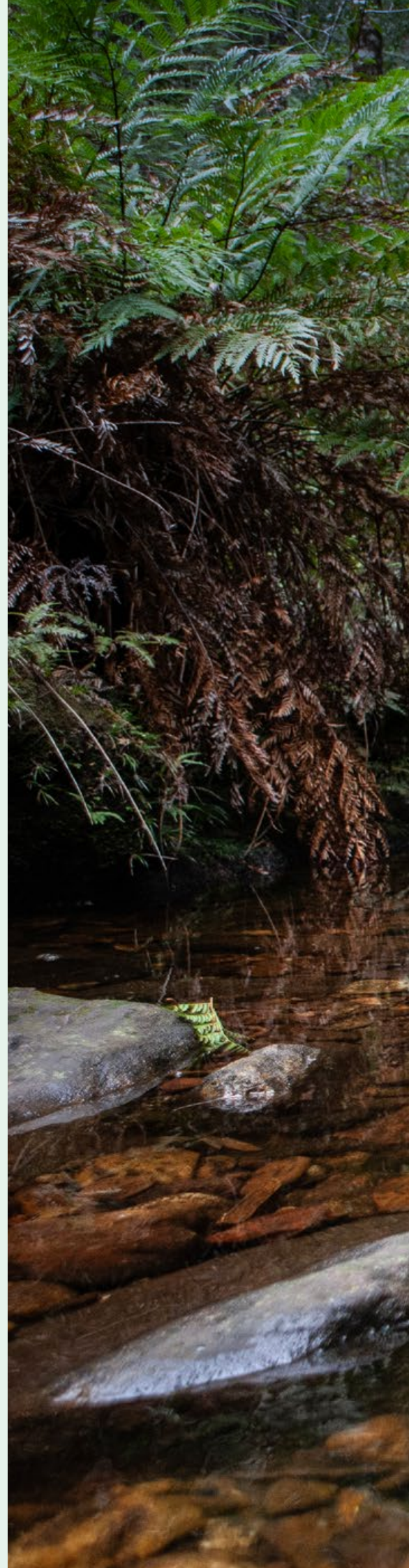
Coverage of our major enforcement actions in the mainstream media helps keep us publicly accountable and deters further breaches of the law.

During the financial year there were:

 **1,543** media mentions across print, digital, TV and radio

 **28,490** social channel engagements **↑ 56%** up from last year

 **100,065** website views **↑ 187%** up from last year



2

Regional snapshots

Greaves Creek, Grand Canyon Walking Track. Photo: NIRAR

Barwon, Darling and West



204

suspicious activity reports received



41

suspicious activity reports referred for investigation



111

reports investigated and finalised



1

penalty notice issued



14

directions, enforceable undertakings issued



33

formal warnings and official cautions issued



The Warrego River near Gumbalie. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 204 suspicious activity reports from Barwon, Darling and West and referred 41 for further investigation. One hundred and eleven reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 33 warnings and official cautions issued.

A significant prosecution was finalised in this region at Wentworth in the far southwest of NSW. A former wine company and its manager were together fined almost half a million dollars by the NSW Land and Environment Court after pleading guilty to illegally tapping into a Western Murray Irrigation pipeline and taking water from it. Read more about this in the How we enforce the law section on page 20.

Water users in this water sharing plan area reached their deadline for the installation of compliant floodplain harvesting metering on April 1, 2024

The region is located within the traditional lands of the Barkandji, Barapa Barapa Budjiti, Euahlayi, Gomeroi/Kamilaroi, Guwamu/Kooma Kunja, Maljangapa, Maraura, Murrawarri, Muthi Muthi, Ngemba, Ngiyampaa, Tati Tati, Wadi Wadi, Weki Weki, Wemba Wemba, Wiradjuri and Yorta Yorta Nations.

Border Rivers



51

suspicious activity reports received



22

suspicious activity reports referred for investigation



28

reports investigated and finalised



0

penalty notices issued



13

directions, enforceable undertakings issued



1

formal warning and official caution issued



The Severn River. Photo: Tanya Weir DPE

Stats and facts

During the 2023-24 financial year, NRAR received 51 suspicious activity reports from the Border Rivers region and 22 were referred for further investigations. Twenty-eight reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 13 directions to stop work or take other remedial action issued or enforceable undertakings accepted.

The at-risk Eastern Recharge Groundwater Source is in this region. Areas around North Star and Croppa Creek were the focus of a special NRAR project during the last financial year, aimed at increasing self-reporting of water usage data as required by law. Thanks to the cooperation of water users in this area, self-reporting increased by almost 277%, helping scientists to more accurately predict sustainable levels of extraction from this water source. Read more about this in the Compliance outcomes section on pages 13-14.

Water users in this water sharing plan area reached their deadline for installing compliant floodplain harvesting metering on August 1, 2023.

The Border Rivers flow through the traditional lands of the Bigambul, Githabul, Kambuwal, Gomeroi/ Kamilaroi, Kwiambul and Ngarabal Nations.

Gwydir



74

suspicious activity
reports received



40

suspicious activity reports
referred for investigation



60

reports investigated
and finalised



2

penalty notices issued



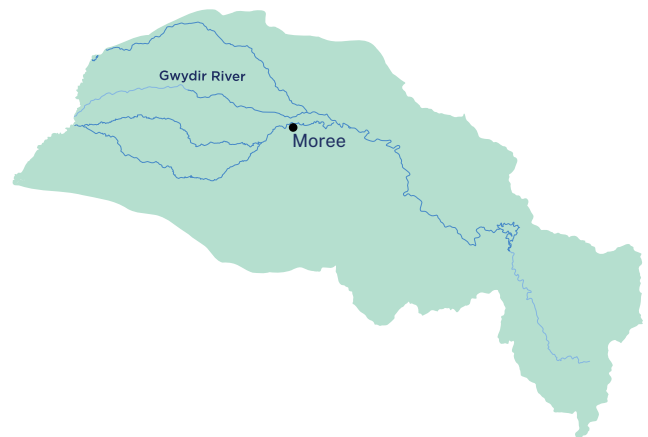
12

directions, enforceable
undertakings issued



22

formal warnings and
official cautions issued



Gwydir River near Moree. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 74 suspicious activity reports from the Gwydir region and referred 40 for further investigation. Sixty reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 22 formal warnings and cautions issued.

The at-risk Lower Gwydir groundwater source between Moree and Ashley was the focus of a special NRAR campaign to increase self-reporting of water usage as required by law. Thanks to the co-operation of water users in this area, self-reporting increased by more than 174%, helping scientists to more accurately predict sustainable levels of extraction from this water source. Read more about this in the Compliance outcomes section on pages 13-14.

Water users in this water sharing plan area reached their deadline for the installation of compliant floodplain harvesting metering on August 1, 2023

The Gwydir is the traditional lands of the Gomeroi/Kamilaroi Nation.

Namoi



243

suspicious activity reports received



107

suspicious activity reports referred for investigation



226

reports investigated and finalised



2

penalty notices issued



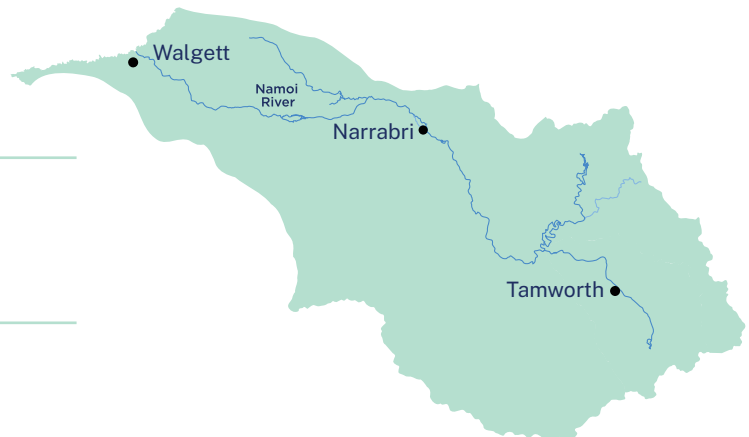
34

directions, enforceable undertakings issued



43

formal warnings and official cautions issued



Namoi River near Narrabri. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 243 suspicious activity reports in Namoi and referred 107 for further investigation. Two hundred and twenty-six reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 43 formal warnings and official cautions issued.

We finalised a significant prosecution in this region during the financial year. A Wee Waa farming enterprise was fined \$25,000 on three counts of taking water from several bores when the meters weren't working properly. Read more about this prosecution on page 21.

The at-risk Lower Namoi groundwater source between Narrabri and Burren Junction was the focus of a special NRAR campaign to increase self-reporting of water usage as required by law. Thanks to the cooperation of water users in this area, self-reporting increased by almost 49%, helping scientists to more accurately predict sustainable levels of extraction from this water source. Read more about this in the Compliance outcomes section on pages 13-14.

Our Outreach staff visited properties around Narrabri and Tamworth.

The Namoi is the traditional lands of the Gomeroi/Kamilaroi Nation.

Macquarie-Castlereagh



144

suspicious activity
reports received



47

suspicious activity reports
referred for investigation



149

reports investigated
and finalised



10

penalty notices issued



25

directions, enforceable
undertakings issued



29

formal warnings and
official cautions issued



Macquarie Marshes near Warren. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 144 suspicious activity reports from the Macquarie-Castlereagh region and referred 47 for further investigations. One hundred and forty-nine reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 29 formal warnings and official cautions issued.

The at-risk Upper Macquarie Alluvial groundwater source between Narromine and Wellington was the focus of a special NRAR campaign to increase self-reporting of water usage as required by law. Self-reporting increased by almost 24%, helping scientists to more accurately predict sustainable levels of extraction from this water source. Read more about this in the compliance outcomes section on pages 13-14.

Our Outreach staff visited local licence holders offering advice and guidance on compliance issues. Landholder visits included properties at Bathurst, Orange, Mudgee, Kandos, Dubbo, Nyngan and Warren.

Water users in this water sharing plan area reached their deadline for the installation of compliant floodplain harvesting metering on March 1, 2024

Macquarie-Castlereagh is the traditional lands of the Gomeroi/Kamilaroi, Ngemba, Ngiyampaa, Wailwan and Wiradjuri Nations.

Lachlan



140

suspicious activity
reports received



69

suspicious activity reports
referred for investigation



77

reports investigated
and finalised



16

penalty notices issued



60

directions, enforceable
undertakings issued



14

formal warnings and
official cautions issued



The Lachlan River near Booligal. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 140 suspicious activity reports from the Lachlan region and referred 69 for further investigation. Seventy-seven reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 16 penalty notices issued.

The at-risk Lower Lachlan groundwater source between Lake Cargelligo and Oxley was the focus of a special NRAR campaign to increase self-reporting of water usage as required by law. While manual reporting in this area decreased, the number was offset by an increase in the use of telemetry, which automatically reports the data to WaterNSW. Fifty new telemetered reads were received in the 2023-24 year compared to the 2022-23 year. Read more about this project in the Compliance outcomes section on pages 13-14.

Our Outreach staff visited local licence holders offering advice and guidance on compliance issues. Landholder visits included properties around Young.

Lachlan is the traditional lands of the Barkandji, Nari Nari, Ngiyampaa, Wiradjuri and Yita Yita Nations.

Murrumbidgee



301

suspicious activity reports received



56

suspicious activity reports referred for investigation



43

reports investigated and finalised



7

penalty notices issued



16

directions, enforceable undertakings issued



5

formal warnings and official cautions issued



Billabong Creek near Jerilderee. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 301 suspicious activity reports from the Murrumbidgee region and referred 56 for further investigations. Forty-three reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 16 directions, enforceable undertakings issued.

The at-risk Lower Murrumbidgee deep groundwater source between Lake Narrandera and Balranald was the focus of a special NRAR campaign to increase self-reporting of water usage as required by law. Self-reporting increased by almost 60%. Read more about this in the Compliance outcomes section on page 16.

Irrigated agriculture was another key focus in this area to monitor and address illegal water take or storage for commercial use. Hydrological models show that even small farm storages greatly impact downstream water flows. Spatial analyses in the Murray-Murrumbidgee area identified 125 high-priority properties with unapproved or oversized storages.

The Murrumbidgee region is the traditional lands of the Barapa Barapa, Muthi Muthi, Nari Nari, Ngunnawal, Nyeri Nyeri, Wadi Wadi, Wolgalu, Wemba Wemba, Weki Weki, and Wiradjuri Nations.

Murray



251

suspicious activity
reports received



56

suspicious activity reports
referred for investigation



42

reports investigated
and finalised



16

penalty notices issued



12

directions, enforceable
undertakings issued



51

formal warnings and
official cautions issued



Murray River near Mulwala. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 251 suspicious activity reports from the Murray region and referred 56 for further investigation. Forty-two reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 51 formal warnings and official cautions issued.

Irrigated agriculture was another key focus in this area to monitor and address illegal water take or storage for commercial use. Hydrological models show that even small farm storages greatly impact downstream water flows. Spatial analyses in the Murray-Murrumbidgee area identified 125 high-priority properties with unapproved or oversized storages. You can read more about the outcomes of this project on page 16.

The Murray region is the traditional lands of Barkandji, Barapa Barapa, Maljangapa, Maraura, Muthi Muthi, Ngiyampaa, Tati Tati, Wadi Wadi, Weki Weki, Wemba Wemba, Wiradjuri and Yorta Yorta Nations.

Far North Coast



172

suspicious activity
reports received



20

suspicious activity reports
referred for investigation



19

reports investigated
and finalised



2

penalty notices issued



4

directions, enforceable
undertakings issued



6

formal warnings and
official cautions issued



Brindle Creek north of Kyogle. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 172 suspicious activity reports from the Far North Coast region and referred 20 for further investigations. Nineteen reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 6 formal warnings and cautions issued.

Irrigated agriculture was a key project in this area to address illegal water take or storage for commercial use. Hydrological models show that even small farm storages greatly impact downstream water flows. Spatial analyses in the Far North Coast area identified 87 high-priority properties with unapproved or oversized storages. You can read more about the outcomes of this project on page 16.

Our Outreach staff visited local licence holders offering advice and guidance on compliance issues. Landholder visits included properties at Tweed Heads, Ballina, Casino, Byron Bay and Lismore. Our staff answered more questions on water compliance during face-to-face discussions at Primex Field Days at Casino in May.

The Far North Coast region is located within the traditional lands of the Bundjalung Aboriginal Nation.

North Coast



316

suspicious activity
reports received



58

suspicious activity reports
referred for investigation



56

reports investigated
and finalised



5

penalty notices issued



17

directions, enforceable
undertakings issued



14

formal warnings and
official cautions issued



Hastings River near Wauchope. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 316 suspicious activity reports from the North Coast region and referred 58 for further investigations. Fifty-six reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 17 directions, enforceable undertakings issued.

A significant court case involving an irrigator from Clybucca near Kempsey continued during the financial year. They have been found guilty of 12 *Water Management Act 2000* offences and are now awaiting sentencing in November 2024. NRAR started this prosecution in 2023 after a series of offences near nationally significant wetlands. You can read more on page 21.

Our Outreach staff visited local licence holders offering advice and guidance on compliance issues. Landholder visits included properties around Grafton, Coffs Harbour, Nambucca Heads and Port Macquarie.

The North Coast region is located within the traditional lands of the Birpai, Dunghutti, Gumbayngirr and Nganyaywana Nations.

Hunter



203

suspicious activity
reports received



29

suspicious activity reports
referred for investigation



175

reports investigated
and finalised



9

penalty notices issued



19

directions, enforceable
undertakings issued



13

formal warnings and
official cautions issued



Hunter River near Jerry's Plains. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 203 suspicious activity reports from the Hunter and referred 29 for further investigations. One hundred and seventy-five reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including 19 directions, enforceable undertakings issued.

NRAR's Outreach staff had a particularly busy schedule in this region visiting local licence holders to offer advice and guidance on water compliance issues. Landholder visits included properties around Merriwa, Muswellbrook, Scone, Aberdeen, Denman, Maitland, Cessnock, Pokolbin, Broke, Newcastle, and Clarence Town.

The Hunter is the traditional lands of the Kamilaroi, Geawegal and Wonnarua people.

Central Coast



30

suspicious activity reports received



5

suspicious activity reports referred for investigation



2

reports investigated and finalised



0

penalty notices issued



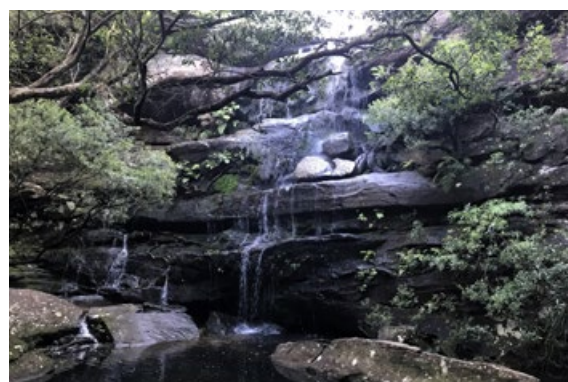
2

directions, enforceable undertakings issued



2

formal warnings and official cautions issued



Kariong Brook Falls, Central Coast. Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 30 suspicious activity reports from the Central Coast and referred five for further investigation. Two reports were investigated and finalised although some of these may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including two formal warnings and official cautions issued.

NRAR's Outreach staff were busy on the Central Coast visiting local licence holders to offer advice and guidance on water compliance issues. Landholder visits included properties around Central Mangrove, Mangrove Mountain, Somersby, Peats Ridge, and Wyong.

The Central Coast is the traditional land of the Darkinjung people.

Greater Metropolitan



364

suspicious activity
reports received



53

suspicious activity reports
referred for investigation



41

reports investigated
and finalised



3

penalty notices issued



3

directions, enforceable
undertakings issued



4

formal warnings and
official cautions issued



Tributary of Blue Mountains Creek near Lawson.
Photo: NRAR

Stats and facts

During the 2023-24 financial year, NRAR received 364 suspicious activity reports from the Greater Metropolitan region and referred 53 for further investigations. Forty-one reports were investigated and finalised although some may have started earlier than July 1, 2023. Our enforcement responses are detailed above, including three penalty notices issued.

The extensive Greater Metropolitan area was the focus for numerous site visits by NRAR's Outreach teams in the last financial year to offer advice and guidance on water compliance issues.

Landholder visits included properties around Lithgow, Katoomba, Penrith, Richmond, Windsor, Wilberforce, Ebenezer, Cobbity, Picton, Narellan, The Oaks, Bringelly, Badgery's Creek, Berry, Nowra, Gerrigong, Wollongong, Albion Park, Moss Vale and Kangaroo Valley.

The Greater Metropolitan region is located within the traditional lands of the Yuin, Tharawal, Eora, Dharug and Gundungurra Nations.

Clyde



115

suspicious activity
reports received



10

suspicious activity reports
referred for investigation



10

reports investigated
and finalised



0

penalty notices issued



0

directions, enforceable
undertakings issued



0

formal warnings and
official cautions issued



Clyde River near Redgum campground.
Photo: Lucas Boyd DCCEEW

Stats and facts

During the 2023-24 financial year, NRAR received 115 suspicious activity reports from the Clyde region and referred 10 for further investigation. Ten reports were investigated and finalised although some may have started earlier than July 1, 2023. NRAR did not issue any penalty notices, directions, enforceable undertakings or formal warnings and cautions in this region.

NRAR's Outreach teams visited this region in the last financial year to offer advice and guidance on water compliance issues around the Batemans Bay area.

The Clyde region is the traditional lands of a number of Aboriginal groups including the Yuin and Dharawal people.



3

The year ahead



Strategic Plan

Our vision is sustainable and fair water regulation for NSW.
Our purpose is to build public trust and confidence as a regulator by:

- educating, enabling and encouraging people to actively comply with natural resources laws
- enforcing the law to provide a deterrent, and to ensure fairness for the compliant
- championing improvements to the management of natural resources.

What we do

As set out in the *Natural Resources Access Regulator Act 2017*, our principal objectives are:

- to ensure effective, efficient, transparent and accountable compliance and enforcement measures for the natural resources management legislation
- to maintain public confidence in the enforcement of the natural resources management legislation.

Regulatory commitments

- We will prioritise safety – everyone home safe every day.
- We will firmly, fairly and consistently enforce the law.
- We will use a risk-based, outcomes focused, evidence-led approach to compliance.
- We are fiercely independent and ethical, always acting in the public interest.
- We will innovate and continually improve our practice to deliver efficient, effective, world-class regulation.
- We seek voluntary compliance and will invest in educating water users.

How we'll do it

Regulatory leadership

Organisational regulatory leadership through learning and innovation to achieve outstanding results

Culture

Ongoing commitment to modelling the 'NRAR Way' and building a learning culture that drives regulatory outcomes

Brand and profile

Promoting NRAR's activities to deter offenders, boost compliance and improve public perception

Safety

Every person home safe and well every day

Relationships

Educate, enable and encourage compliance while building community trust

Intelligence led regulation

Intelligent analytics and systems to inform, guide and increase our reach and impact

Performance

Efficient, effective, accountable and transparent ways of working

Our Annual Priorities 2024-25

NRAR's annual regulatory priorities set its operational course for the following year, driving improvements in voluntary compliance across NSW.

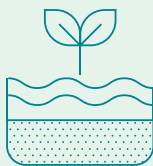
Our priorities for 2024-25 are based on forecast climatic and economic conditions, consultation across NRAR, and data and spatial analyses. Our priorities underpin sustainable and responsible use of the state's natural resources by identifying and addressing key compliance issues. Our annual priorities for the year ahead are:



Water metering

Accurate and reliable metering of water is fundamental to the integrity of the water management system. It underpins NRAR's ability to enforce compliance with water management legislation and drives public confidence in how water is managed in NSW.

NRAR will maintain our focus on ensuring high-volume active works are compliant. We will also continue educating water users about the rules and their obligations. NRAR is a firm but fair regulator and will consider each individual situation on its merits.



Recording and reporting in at-risk groundwater sources

Groundwater is a finite resource that supports towns, agriculture and important ecosystems. It is particularly relied upon during times of drought.

NRAR will focus on the recording and reporting of water take by users in at-risk groundwater sources. Increasing compliance with the requirement to record and report groundwater take will help show how much this limited resource is used and relied upon.

Lifting the level of monthly metering reporting was a focus in 2023-24 (see page 13) and it will continue to be in the year ahead. The focus will be on vulnerable underground water sources that are at risk of over-extraction.



Compliance re-inspections

Enforcement actions help ensure there's enough water for the environment, communities and industries to thrive.

NRAR will check up on the water management practices of those who have been issued enforcement actions, such as penalty notices or directions, to see if they are now following water laws. If serious acts of non-compliance continue, severe enforcement will likely follow to stop harm to other water users and the environment.

Our follow-up actions demonstrate that enforcing the rules isn't just something we do once but is an ongoing effort. This helps to keep the water management system fair and ensures all water users follow the rules.

Our Enduring Priorities

Some of NRAR's overarching priorities remain in place over time as an enduring guide to all our activities. They are:



Accounting accurately for water taken



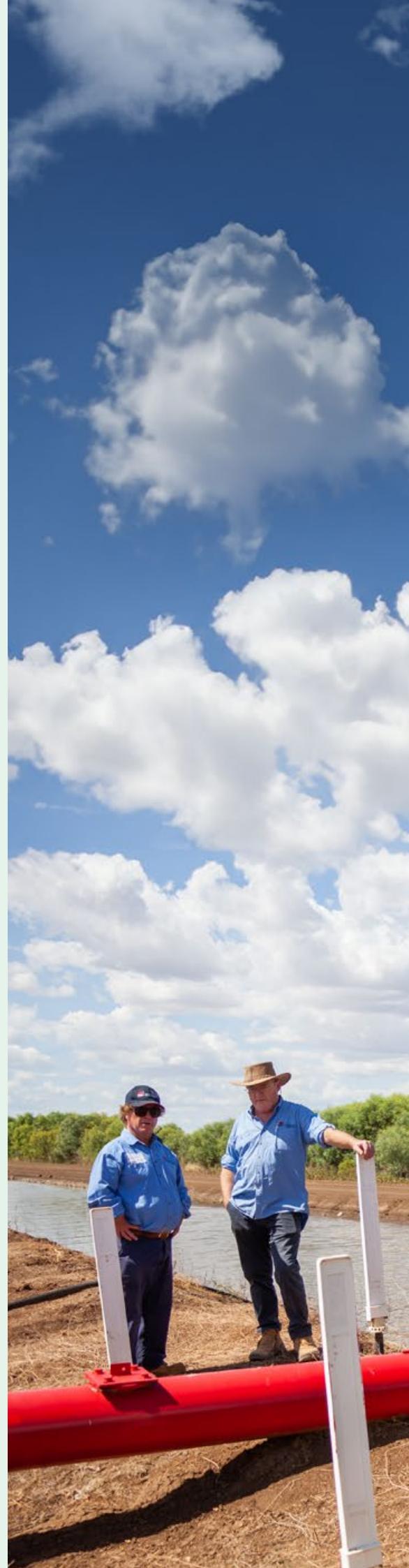
Safeguarding and prioritising Aboriginal cultural and spiritual values in water regulation



Preventing and deterring illegal activities that cause significant harm to the environment and other water users



Removing unapproved structures that obstruct water flow across floodplains



4

How NRAR works

Bore outlet emptying into an irrigation channel, Narrabri. Photo: NRAR



Independent board

NRAR has an independent board responsible for strategic decisions about its compliance and enforcement functions.

The NSW Minister for Water appoints the 4-member board. Once appointed, the board is not subject to any ministerial direction either directly or indirectly through the NSW Department of Climate Change, Energy, the Environment and Water. The minister has no input or influence into the operational activities of NRAR. Any directions by the minister must be made according to the *Natural Resources Access Regulator Act 2017*.

Board members must have experience and expertise in law, natural resources management, compliance and regulation, or other areas related to NRAR's work.



Board Chair, Craig Knowles

NRAR Chair Craig Knowles' previous statutory appointments include four years as chair of the Murray Darling Basin Authority (MDBA) from 2011-2015. In that role, he represented Australia at the 2014 United Nations General Assembly Forum on Water and Energy as part of the UN mission to develop Sustainable Development Goals in the context of climate change.



Board Member, Ilona Millar

Ilona has more than 20 years' experience advising on natural resources law, including innovative responses to climate change and sustainability problems. She has been involved in legislative and policy reviews and advises on the implementation of the *Water Management Act 2000 (NSW)* and the *Water Amendment Act 2008 (Commonwealth)*.



Board Member, Bruce Brown

Bruce has served as a director and member of several government committees at state and federal levels, including the National Rural Advisory Council (1999-2005). He was also a university lecturer in agricultural economics and farm management prior to transitioning to the private sector via a lobbying role with a farmer organisation.



Board Member, Phil Duncan

Phil joined the NRAR Board in 2020. He also serves as chair of the Basin Community Committee of the Murray Darling Basin Commission. Throughout his career and volunteer community work, Phil has worked extensively with Indigenous people and the government to improve the lives of First Nations people. He provides high-level policy, strategic advice, and leadership to key Indigenous representative organisations, universities, and state and federal government agencies. He was recently appointed to the board of the NSW Biodiversity Conservation Trust.

CASE STUDY:

Water professional of the year

Phil Duncan was named the Australian Water Professional of the Year at the Ozwater 2024 gala night in Melbourne in May 2024. Winning this prestigious award, at the biggest water conference and exhibition in the Southern Hemisphere, adds to a list of achievements for NRAR's first Indigenous board member. He was a keynote speaker at the 2023 UN World Water Summit in New York and was re-appointed to another term on NRAR's Board.

"This incredible honour reflects my ancestors, community, family and nation," Mr Duncan said.

"It's my only hope that whatever I can contribute to the water sector will also energise our bright Indigenous youth to build upon the foundations being laid."



Phil Duncan named the Australian Water Professional of the Year. Photos: Australian Water Association

Agency role in government

We are an independent arm of the NSW Government that oversees compliance with NSW water laws. We sit within the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW). Our compliance and enforcement functions are separate and distinct from the department.



DCCEEW is responsible for making the state's water laws and policies.



WaterNSW manages the rivers and water supply systems according to the rules of the department.



NRAR ensures compliance with and enforcement of the water laws.

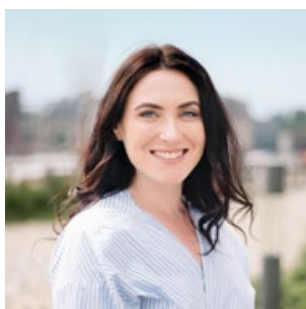
Our functions

NRAR is divided into six branches directed by the Chief Regulatory Officer and independent board. These branches align with our goals and enable us to respond to changing demands.



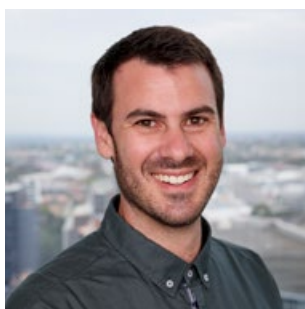
Chief Regulatory Officer

Day-to-day operations are directed and shaped by the Chief Regulatory Officer, **Grant Barnes**. His focus is on building regulatory capacity to deliver the NSW government's commitment to best practice regulation. He has more than 20 years of experience in science leadership, freshwater science and strategic planning, he brings valuable expertise to his leadership role.



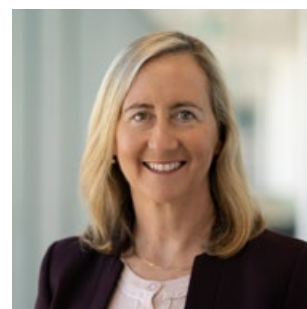
Education and Engagement

work directly with people and organisations involved with water regulation. It provides the right information and helps them voluntarily comply with the rules. Its staff travel all over NSW. **Keeley Reynolds** leads this branch with more than 10 years of experience developing and executing campaigns to raise awareness and change behaviours.



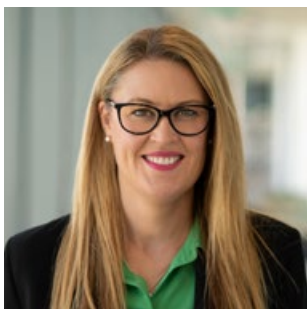
Regulatory Initiatives

solve important water law compliance problems aligned with NRAR's annual regulatory priorities. Its focus is on finding solutions to the most complex regulatory problems. **Ian Bernard** leads this branch with more than 10 years' experience in regulation and enforcement. He leads intelligence-led and strategic programs, influences industries and champions cultural change, inclusivity and diversity.



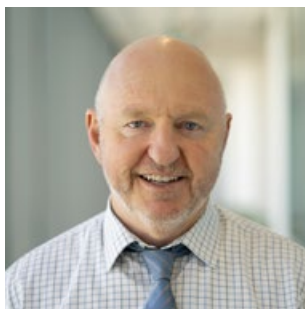
Innovation, Systems and Intelligence

ensure intelligent use of analytics and the development of innovative new systems to better inform, guide and increase NRAR's reach and impact. **Margaret Sexton** leads this branch. She is skilled in leadership and development, leading high-performing teams to achieve continuous improvement and lasting value in water management in NSW.



Investigations and Enforcement

provide expert advice and leadership on when, how and why NRAR investigates and enforces alleged breaches of the *Water Management Act 2000*. **Lisa Stockley** leads this branch. She has more than 20 years' experience in regulation and investigations including as the Assistant Director (Industry Regulation) for the NSW Police Force Security Licensing and Enforcement Directorate (SLED) and through her many years at the NSW Independent Commission Against Corruption (ICAC).



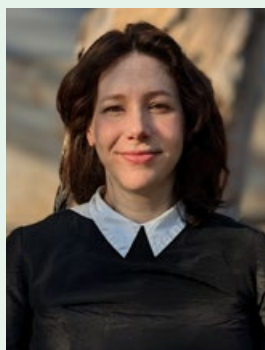
Regulatory Excellence

champions improvements to the regulatory framework, focusing on driving continuous improvement of staff capabilities, processes, systems and regulations that NRAR enforces. **Tim Gilbert** leads this branch with more than 30 years of experience in natural resources management regulation. His vision is to create fair and equitable water access for all users and the environment through easily understood and accepted rules.



Regulatory Coordination

is made up of diverse teams from finance, business and project performance, front of house services and communications. They work together to provide quality advice and services that support excellence at NRAR. **Ila Lessing** leads this branch. She has managed teams responsible for governance, budget management and portfolio management across the government and banking sector.



Legal

Legal is staffed by lawyers from the **NSW Department of Climate Change, Energy, Environment and Water**. It manages prosecutions brought by NRAR and other legal actions to enforce the *Water Management Act 2000*. They help with law reform and provide legal advice and support to NRAR. **Ellen Chapple** leads this branch. Ellen has over 10 years of experience in public law and regulation. She has a Master of Laws from Harvard Law School and was previously the Manager of Litigation at the NSW Environment Protection Authority.

Our people

Workplace diversity

NRAR strives to create an inclusive workplace, in line with the strategies of the NSW Department of Climate Change, Energy, Environment and Water –Water group. Actions and activities to achieve this goal are set out in the NSW DCCEEW Diversity and Inclusion Workforce Strategy 2021-25.

Table: Distribution of staff by gender

Year	Total	Men	Women
June 2023	69	57.3%	42.1%
June 2024	68	54%	45.5%
% change	+2.5%	-5.7%	+8%

Table: Distribution of staff by age

Year	15-34 years	35-54 years	55+ years
June 2023	69	96	31
June 2024	68	99	34
% change	-1.5%	+3.1%	+9.6%

Employee count and distribution

On June 30, 2024, NRAR employed 201 staff including permanent and temporary employees. This was an increase of about 2.5% in total staffing on the previous year. Almost 63% of staff were based in regional NSW, a slight decrease from the previous year (65%). Staff aged 55 and over was the fastest growing employee age group in 2024.



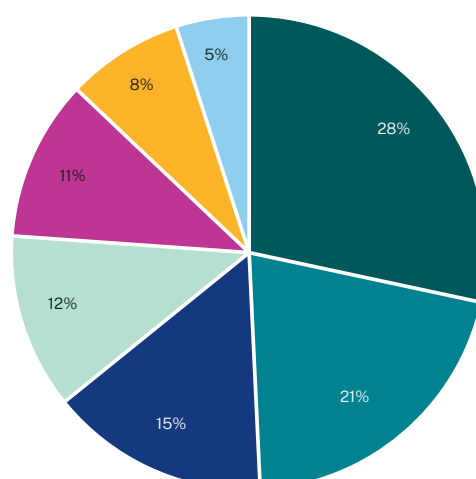
201 employees



63% based regionally

Employees per branch

- 57 Regulatory Initiatives
- 42 Education and Engagement
- 30 Investigations and Enforcement
- 24 Regulatory Coordination
- 22 Innovation, Systems and Intelligence
- 16 Regulatory Excellence
- 10 Other*



* Other includes the Chief Regulatory Officer (CRO and staff employed in the office of the CRO).

Gender equity

NRAR employs similar numbers of men and women. At June 30, 2024, just over 45.5% of staff were women and 54% were men. Some staff prefer not to identify a gender. This compares to 2023, when 42.1% women (up 8%) and 57.3% were men (down 5.7%). The percentage of women senior leaders at NRAR in 2024 remains at 57% (four of the seven executives). The NSW Government target is to have 50% of senior leadership positions filled by women.



NRAR Staff event. Photo: NRAR

Cultural diversity

NRAR employs people from a variety of cultural backgrounds, however exact numbers are difficult to determine because employees do not always elect to disclose this information. As at June 30, 2024:

- 6% of employees spoke a first language other than English
- 22.4% chose not to disclose this information.

This compared with 4.6% and 25.2% of employees respectively in 2023.

In 2024, NRAR had 10 employees who identified as Aboriginal or Torres Strait Islander, making up 5% of the workforce.

Just over 9% of staff identified as being part of a minority group in 2024, up slightly on the previous year, and 69% chose not to disclose this information.

Disability inclusion action plan

The NSW Premier has set a target that people with disabilities hold 5.6% of all NSW Government roles by 2025. At the end of 2024, NRAR employed seven people with disabilities, which represents 3.5% of our workforce.

The main steps to improving this percentage are:

- creating an inclusive and safe workplace, where employees feel they can declare their disability
- recruiting people with disability to meet the Premier's Priority target
- ensuring representation of people with disabilities in leadership development programs.

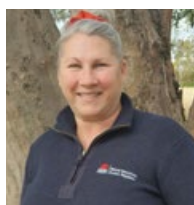
The NRAR Way Awards

The achievements of the last financial year are due to the efforts of NRAR employees. The agency acknowledges outstanding staff through its annual NRAR Way Awards. These recognise high achievers in six NRAR values: Kindness, Inclusivity, Daring, Integrity, Creativity and Collaboration.

These are nominated by and voted for by the workforce and announced at our annual all-staff event.

Inclusivity

Leanne Dunstan | Investigator



Leanne was described by her colleagues as a kind and caring team member, always willing to provide feedback, input and support.

Kindness

Lexi Flipo | Assistant Project Officer Education



Lexi was described by her colleagues as always encouraging and caring. They said she was energetic and enthusiastic about her work.

Daring

Brandon Jenner | Senior Field Officer



Brandon is described by his colleagues as constantly encouraging and challenging others to ask questions, learn and develop. He initiates tough conversations and seeks feedback to find solutions.

Integrity

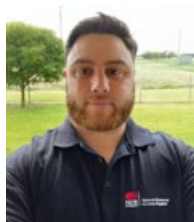
Nathan Blakelock | Senior Project Officer Education



Nathan was described by his colleagues as someone who goes the extra mile to help people comply with the water laws. This is especially obvious at field days.

Creativity

Carter Tonkin | Field Safety Supervisor



Carter was described by his colleagues as the go-to tech guy in Outreach. They said he has a great understanding of how systems work and can be relied on to spot opportunities for improvement.

Collaboration

Martin Stuart | Senior Spatial Analyst



Martin was described by his colleagues as one of the most amazing people. They said he was very easy and relaxing to work with, and working with him meant any technical issues would be solved.

Work Health and Safety

NRAR is committed to the safety of its staff, and this is reflected in the agency's Work Health and Safety (WHS) motto of "Everyone home safe and well every day".

The main risks faced by NRAR employees relate to driving, working in remote locations and dealing with stressful interactions with stakeholders.

To address these risks, our staff complete regular mandatory training with further steps taken this financial year to ensure the safety of all staff.

Key examples were the creation and implementation of a safe driving action plan and the introduction of improved systems for monitoring staff safety in the field. A Psychosocial Working Group was also set up to identify the risks of psychological harm to our employees.



Incident reports

In 2023-24, NRAR reported 69 work-related incidents, an increase of one from the previous period. Ten injuries were reported, four of which required first aid or no treatment, and six resulted in medical treatment and/or lost time. The remaining 59 incidents were reported as non-injuries made up of 36 near misses and 23 identified hazards.

SafeWork NSW investigations

During the reporting period, SafeWork NSW did not conduct any investigations or regulatory actions. NRAR started 46 WHS investigations, resulting in 119 corrective actions, with an average investigation time of nine days. The NRAR WHS Committee met quarterly in accordance with the *WHS Act 2011 (NSW)*.

Working efficiently

Modern Regulatory Improvement Tool

NRAR's activities in the 2023-24 financial year continue to be guided and assessed by the Modern Regulator Improvement Tool (MRIT).

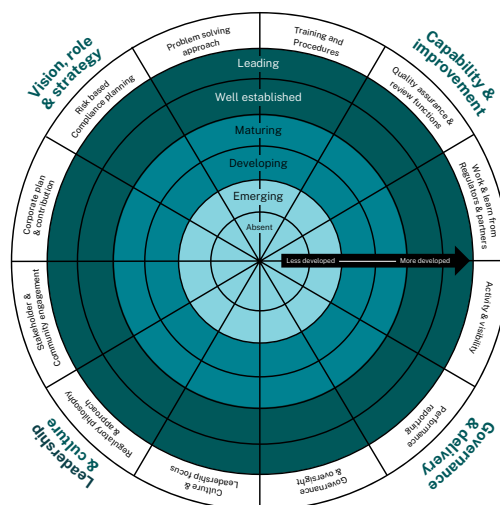
The MRIT was developed by the Australasian Environmental Law Enforcement and Regulators network (AELERT) to assess the maturity of a regulator across 12 attributes, and guide regulators about where improvements may be made. The MRIT assessment also provides assurance to the community about NRAR's progress as a regulator.

The 2022 MRIT assessment was informed by self-assessment reviews undertaken by senior staff, and the final assessment was independently verified. NRAR has continued to mature as a regulator since it was established in 2017, guided by the MRIT assessments. NRAR now has higher maturity levels in all attributes, with areas such as culture and leadership, regulatory philosophy and approach and stakeholder and community engagement now recognised as well established.

The next review will be reported to the board in late 2024.

Measuring performance

NRAR's focus on transparency, accountability, and efficiency underpins public confidence in our agency. The Modern Regulator Improvement Tool has significantly enhanced our capability and maturity with business performance reporting as one of three key focus areas over the past year.



The MRIT template wheel is used to visually represent an organisation's maturity level. Image credit: AELERT

We've implemented a three-year strategy for NRAR, supported by detailed annual and business plans. These plans align our regulatory priorities with our strategic goals and daily operations. Each plan outlines specific outcomes, and our performance management now centers on measuring and reporting these outcomes. Monthly reviews and regular board updates ensure we stay on track and focused on the right priorities.

Capability building

NRAR's learning culture develops staff that are skilled, competent and confident to deliver efficient water regulation in NSW.

We ensure workforce capability by recruiting high-calibre staff, offering a comprehensive induction and skills-based training, and addressing emerging capability needs across our functions to build for the future.

Capability is developed through a combination of formal training, mentoring and coaching and on-the-job learning experiences.

Training is delivered through face-to-face sessions, field camps, online modules and webinars, and interactive sessions.

Examples of training include:

- face-to-face induction sessions for new staff to ensure awareness of NRAR's objectives, the water rules, NRAR's strategy and policy, WHS and commitment to strong ethical behaviour
- establishing standards for Authorised Officer knowledge and capabilities and delivering training to enable staff to meet these standards
- developing and delivering tailored training and capability development programs to address identified gaps in knowledge and skills and to enable the rollout of new technologies that enable operational staff to operate more efficiently (e.g. drone training).

CASE STUDY:

Skills camp

During the 2023-24 financial year, 98% of NRAR staff undertook training to improve understanding of their work and job performance. An example of this was key training for NRAR field staff at Narrabri. The agenda was designed to boost compliance skills and practical fieldwork capabilities ensuring the agency's work is completed as efficiently and effectively as possible.

The training involved a mix of classroom and onsite training. It included sessions on Authorised Officer powers, pumps, bores, meters, notices and directions, and practical field skills demonstrations. These sessions provided participants with valuable insights and hands-on experience, which they further develop through on-the-job experience.



NRAR staff attend theory and practical training at field skills camps. Photos: NRAR



NRAR staff training in Narrabri. Photo: NRAR

Quality Management System

NRAR is dedicated to upholding the highest water regulation standards in NSW. We do this by maintaining a Quality Management System (QMS) to record, monitor and continually improve our policies and processes. The Ken Mathews Interim Report, which led to the establishment of NRAR, identified unclear policies and processes as key issues affecting the enforcement of water law.

Our Quality Policy Statement outlines our commitment to maintaining a QMS and its role in building public trust, understanding community perspectives and meeting expectations through risk-based regulation. Our QMS is independently certified to the global standard for quality management – ISO 9001:2015, which supports our journey to being a leading regulator. Our stakeholders can be confident that we operate to the highest standards.

Progress on quality management in 2023-24

We have made significant progress in quality management in the past year, including:

- 13 internal assurance activities to make sure we are following processes and to identify opportunities for improvement
- 43 continual improvement items completed, improving our standards of water regulation
- 119 documented processes and procedures maintained
- certification to ISO 9001:2015 achieved.

Project Management Office (PMO)

The Project Management Office (PMO) provides governance, structure, and discipline in how we deliver our portfolio of projects. Regular status reporting and oversight by our Portfolio Oversight Group (POG) ensures that project delivery is scrutinised and that we remain accountable and transparent.

The governance framework across our portfolio of projects includes review and monitoring by the executive, the Chief Regulatory Officer, and the NRAR Board. NRAR invests in project management training to ensure that our staff are adept in using project management tools and techniques.



In-house call centre

NRAR established its own call centre to streamline how the agency responds to public enquiries. Previously this work was handled by an external agency. Our call centre has made it easier and faster for people to get answers to their water regulation questions. Since the call centre was introduced to NRAR in November 2023, staff have received and responded to:



Members of the public have asked about various water law related subjects, including what activities are permitted around creeks and waterways, what kind of approvals are needed for dams and bores, and how to comply with metering rules.

Finance and funding

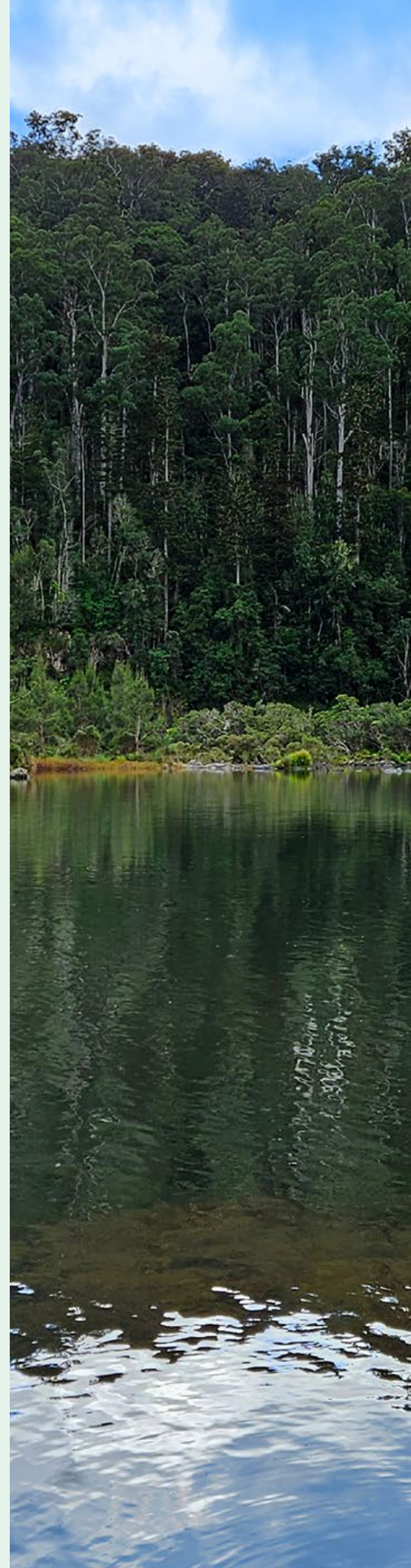
IPART submission

Every five years, NRAR submits to the Independent Pricing and Regulatory Tribunal (IPART) Water Administration Ministerial Corporation (WAMC) determination process, which determines the price of water management services for the following five years. IPART examines the prudence and efficiency of NRAR's compliance operations.

This determination currently governs approximately 40% of NRAR's annual funding.

During the last financial year, NRAR continued to work with WAMC agencies to prepare our business case, including undertaking consultation activities with water users and the public about compliance management functions and associated costs.

IPART will evaluate this proposal before communicating its findings in mid-2025.





5

Your questions answered

Why do we need a water regulator?

Before NRAR, the likelihood of being caught and facing the consequences of breaking the water rules in NSW was low. Rules were often broken and the environment, the community and other water users suffered.

Since then, we have taken big strides in:

- changing attitudes so that most people want to comply
- developing more accurate ways to monitor compliance
- taking strong action against the most serious breaches of the rules

The public is more confident that NRAR is out there, monitoring, educating and enforcing.

Considering predictions of a hotter, dryer climate, having an independent regulator has never been more crucial to ensuring fair access to limited water resources.

Where can I see your activities and the results you've achieved?

Compliance reporting

NRAR is committed to providing fair, transparent, efficient and accountable water law enforcement, and that means sharing regular information about our compliance activities.

NRAR's compliance reporting dashboard shows the types of alleged offences commonly found by our staff. The number of inspections, fines, warnings and directions issued are also recorded. These figures are updated monthly.

The tool also breaks all the data down by region so people can see how compliant local water users are and compare this with compliance in other parts of NSW.

Explore our compliance reports at nrar.nsw.gov.au/qrt-reports

Case studies

Publishing case studies of concluded court cases, enforceable undertakings and penalty notices helps to educate water users about the types of rule breaking that could lead to serious enforcement action.

Read through our case studies at nrar.nsw.gov.au/regulatory-responses

Outreach activities

A public dashboard detailing the actions carried out under the community Outreach program shows the number of properties, licences and works the team has inspected as well as the most common advice and education given.

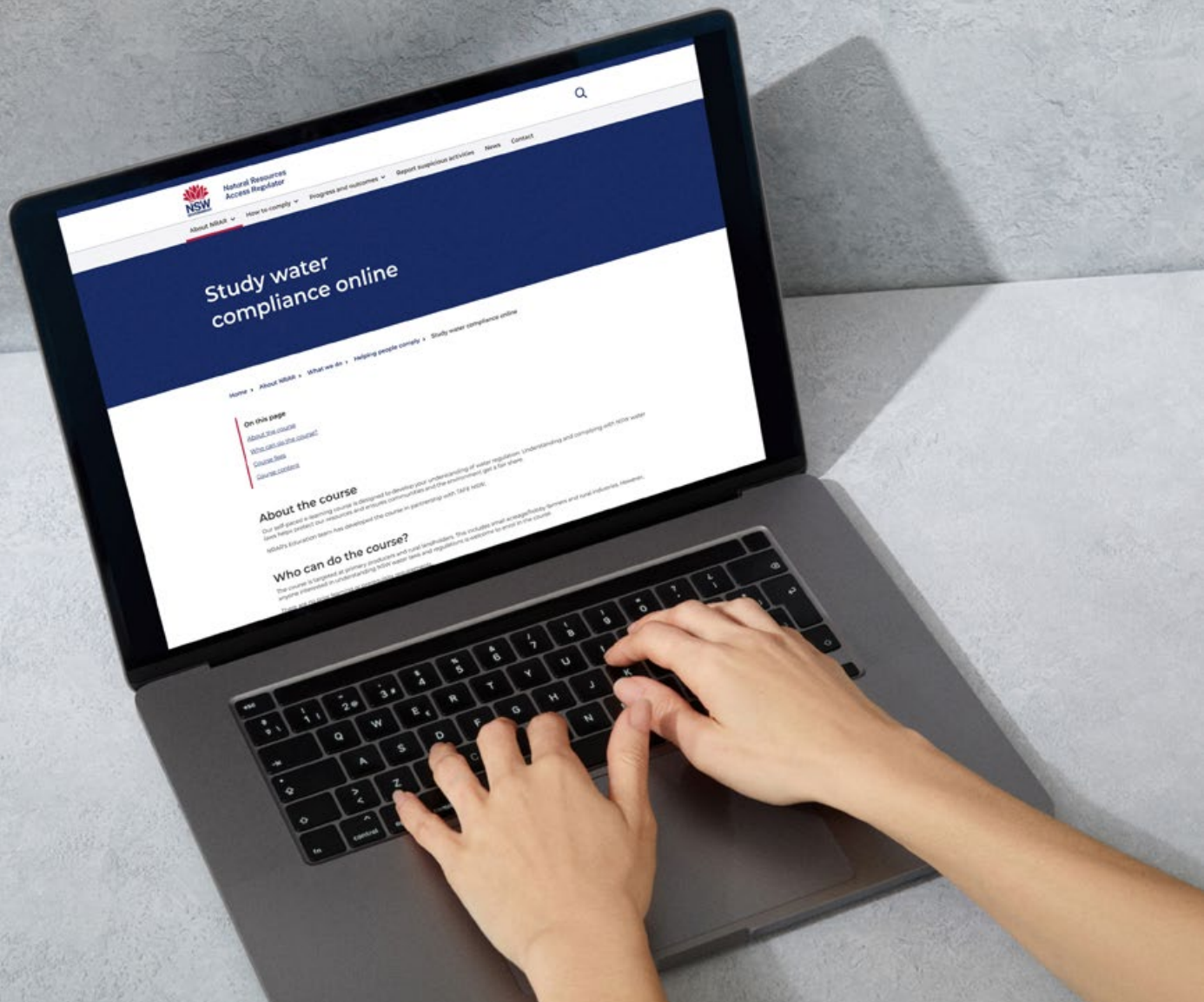
Explore our outreach dashboards at nrar.nsw.gov.au/outreach

Public register

As part of our commitment to providing transparent and accountable enforcement of NSW water laws, NRAR publishes the details of its enforcement actions.

Publishing NRAR's more serious regulatory actions on the register shows the consequences of not complying with NSW water laws to all water users, and aids in deterring them from breaching the rules.

View the register at nrar.nsw.gov.au/public-register



How do I know if the rules apply to me?

Enrol in our online course

Our free online course is designed to make it easier for you to comply with NSW water laws.

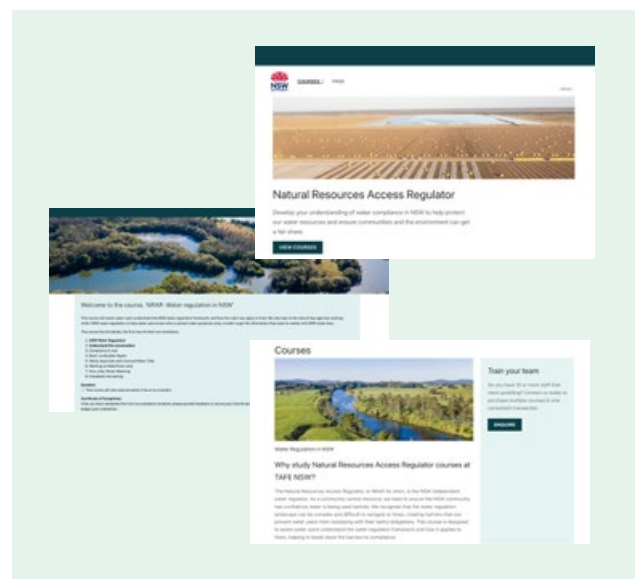
You'll learn about how water is managed and regulated in NSW, what rules apply to you and how to follow them.

The learning is self-directed and self-paced, which means you choose the topics you want to learn about, and you do it at your own pace.

You can also revisit the course as many times as you want.

We developed the course in collaboration with TAFE NSW.

Enrol at nrar.nsw.gov.au/eLearning



Talk to us face-to-face

Our most productive discussions with water users take place at field days across NSW each year. These are the perfect opportunities to have a face-to-face conversation with experienced officers from our education team.



NRAR staff are ready to answer questions at field days. Photo: NRAR

Our schedule commonly includes:

- May – Tocal Field Days, Hunter Valley
- May – Primex, Casino
- July – Mudgee Small Farms Field Days, Mudgee
- August – AqQuip, Gunnedah
- August– AgriShow, Moss Vale
- September – Berry Small Farm Field Days, Berry
- September – Henty Machinery Field Days, Henty
- October – Murrumbateman Field Days, Murrumbateman
- October - Australian National Field Days, Borenore

I have information about potential suspicious water use activity. How do I report it?

To make a confidential report:

- call NRAR on 1800 633 362 during business hours
- submit a report via our website at nrar.nsw.gov.au/report-suspicious-water-activities

How do I know if a person is really from NRAR?

During 2024, NRAR was alerted to a potential case of people impersonating government officers to gain illegal access to properties.

NRAR was informed about the potential issue by the staff of an irrigation company in the Blue Mountains. They reported two men claiming they were "from the government" had entered a property asking to check dams.

The company reported that the men were not wearing uniforms or driving a government vehicle and there was some concern they might be scoping properties for items to steal.

NRAR staff almost always wear a uniform and they always carry identification that you can ask to see.

You can also double check the officer's identification by calling NRAR's call centre on 1800 633 362.

Report any suspicious people or activities to the police.



NRAR staff in uniform. Photo: NRAR

How can I keep up to date with NRAR's activities?

- Follow us on Facebook
- Follow us on LinkedIn
- Subscribe to our YouTube channel
- Sign up for the newsletters



Notes

Notes

Natural Resources Access Regulator

Locked Bag 5022
Parramatta NSW 2124

T: 1800 633 362
W: www.nrar.nsw.gov.au