

NRAR Board meeting - Minutes

MEETING	NRAR Board meeting		
MEETING NO.	N/A Video Conference	DATE	19 February 2021
LOCATION	Boardroom L57 MLC Centre Sydney	TIME	10.00am - 3:11 pm
BOARD INVITEES	Craig Knowles (Chair), Ilona Millar (member), Bruce Brown (member), Phil Duncan		
NRAR INVITEES	Grant Barnes (Chief Regulatory Officer), Russell Johnston (Executive Officer), Sharon Ryan (Board Secretariat)		
OTHER INVITEES	Listed under to relevant agenda item		

Agenda Item/Issue and Discussion	Notes/Action
<p>CONFIDENTIAL – LAW ENFORCEMENT Prosecutions Strategy Update Presenter: Ilona Millar (member) Ian Bernard (Snr Team Leader Strategy & Audit, Regulatory Innovation) Paper distributed to Board members only The paper was taken as read, the Board Chair thanking Ms Millar and Mr Bernard for their stewardship</p> <ul style="list-style-type: none"> • Ms Millar and Mr Bernard presented findings. • The Board asked the CRO to think through and commence the process of socialising these decisions through the Executive and relevant operational teams and request that Ilona and Ian look into the potential to build a community of practice that will assist with ongoing development. 	<ul style="list-style-type: none"> • The Board accepted and adopted the recommendations for ongoing program of improvement, noting that there is a 6-month implementation and a 12-month effectiveness review. • Dated 19/2/2021 • Ilona Millar and CRO, Grant Barnes to meet to discuss Prosecutions Strategy Update • Due: before March 2021 Board meeting
<p>Minutes of the Board meeting held 16 December 2020</p>	<ul style="list-style-type: none"> • RESOLVED that the minutes of the meeting held 16 December 2020 be recorded as a true and correct record. • Carried Dated:19/2/2021
<p>Actions of the meeting of 1 December 2020 ACTION: Ilona Millar complete Board Evaluation paper ACTION: Phil Duncan was formally accepted as Patron of NRAR Aboriginal Support Network (ASN)</p>	<ul style="list-style-type: none"> • Completed and noted by the Board • Dated: 19/2/2021 • Ongoing

<p>Prosecution: Decision paper 1 – Dendrobium <i>Invitee: Kirsty Ruddock/ Simon Taylor</i></p>	<p>SENSITIVE: LAW ENFORCEMENT. The Board resolved to adopt the recommendations as presented.</p>
<p>Conflict of Interest Declarations</p> <ul style="list-style-type: none"> The Board accepted a perceived conflict of interest declaration in relation to employment outside of the Board from Phil Duncan. No other declarations of conflicts of interest were submitted. 	<p>Completed and noted by the Board Dated: 19/2/2021</p>
<p>CRO Update The CRO Update was taken as read</p> <ul style="list-style-type: none"> Craig Knowles advised the other board members of the letter received from Mr Horne, on behalf of the Southern Riverina Irrigators, relating to NRAR's transparency, independence and stakeholder engagement practices. The subsequent response sent on behalf of the Board was noted. Grant Barnes sought direction from the Board to present a paper to the March meeting with analysis of additional measures to further improve transparency, noting the many transparency measures already put in place since NRAR commenced operations. Mr Barnes was so directed. Craig Knowles noted the results of DPIE Water Trust and Confidence survey as a great tribute to the team and to Grant's leadership. 	<p>Recommendations Noted as presented Dated: 19/2/2021</p> <ul style="list-style-type: none"> Transparency paper to be presented to the March 2021 meeting
<p>Finance and Operational Performance Invitees: Tim Gilbert (Director RC&C) Ryan Lynn (Manager BAE) The Board noted the paper as read Ryan Lynn updated the Board on the following items: 2021/22 Budget Risk NRAR is presently working on risk-management and mitigation in relation to the forward budget. NRAR is seeking funding in future years aligned with the current</p>	<p>Recommendations Noted as presented Dated: 19/2/2021</p> <ul style="list-style-type: none"> Further information to be provided at March 2021 meeting

budget for 2020/21

of \$27.5m.

The principle present risk to the forward budget is the IPART determination, where NRAR is

seeking \$15.78m in funding for 2021/22. A second round of public hearings is proposed for March 2021.

Financial Performance

Continued underspending in labour and travel is providing opportunities for project expenditure this financial year.

NRAR is working in February to reforecast its operational expenditure to invest any

underspends in projects aligned to delivery of Strategic Plan targets. It is still forecast that

NRAR will remain Net Cost of Service neutral in FY21.

• Bruce Brown, as Board finance overseer, advised that he and Ryan have held discussions and he is happy with the projections.

Operational Performance

NRAR encouraged staff to take extra leave across December-January to manage leave

liabilities that were accruing due to COVID-19. As expected, this led to reduced productivity in both Licensing & Approvals (L&A) and Investigations & Enforcement (I&E).

In coming weeks, we expect to see compliance investigations arising from the Routine

Monitoring program. This may lead to a growth in active case load in the short term.

Externally reported KPI of 'High case closure timeframes' (Program Performance Measure - PPM) reported was not met for Q2 2020/21. The efficacy of this KPI is questionable and

alternatives are being pursued.

• Craig Knowles mentioned the great work being done

<p>under Alison Collaros' leadership, asking Ryan to pass on his congratulations. Bruce Brown asked Ryan to pass on his thanks to Ibbi Yunusa for his great work on the papers presented.</p> <ul style="list-style-type: none"> • Craig Knowles drew attention to the IPART determination, noting Cardno's alignment closer to NRAR's figures. 	
<p>CONFIDENTIAL – LAW ENFORCEMENT</p> <p>Invitee: Kirsty Ruddock (Director WET)</p> <p>Ms Ruddock provided an overview of current and future litigation matters.</p> <ul style="list-style-type: none"> • Four matters were considered in relation to prosecutions (confidential) 	<p>Recommendations made Resolutions in all four matters</p> <ol style="list-style-type: none"> 1. Resolved 2. Resolved 3. Resolved 4. Resolved with amendment to Recommendation 3 made during the meeting break and re-presented to the Board. <p>Dated: 19/2/2021</p>
<p>CONFIDENTIAL – LAW ENFORCEMENT Update</p> <p>Invitees: Tim Gilbert (Director RC&C)</p> <p>Jamie Morton (Snr Project Officer RC&C)</p> <p>Messers Gilbert and Morton updated the Board on the ongoing work to address the issues raised by the LEC ruling in the Confidential matter.</p>	<p>Recommendations made Resolutions, with addition of Recommendation 1.e.made during the meeting break and re-presented to the Board.</p> <p>Dated: 19/2/2021</p>
<p>Strategic Risk Register</p> <p>Invitees: Margaret Sexton (Director RI)</p> <p>Nyrie Palmer (Manager Program and Governance, RI)</p> <p>The Board noted the paper as read</p> <p>Ms Sexton and Ms Palmer provided an overview of the NRAR risk framework, describing the key risks that could prevent NRAR achieving the goals in its Strategic Plan, including our vision, purpose, objectives, values and goals and risk appetite, advising that NRAR is using a methodology recommended by Treasury.</p> <ul style="list-style-type: none"> • All Board members agreed that they are happy with the report and risk recording in the register, that the presentation was easy to engage with, understand and interpret. 	<p>Recommendations made Resolutions</p> <p>Dated: 19/2/2021</p> <ul style="list-style-type: none"> • Report updates requested on a quarterly basis <p>Due: June, Sept, Dec 2021</p>

<ul style="list-style-type: none"> • The Board note that the Exec will regularly monitor risks and will report updates to the Board quarterly. <p>Licencing & Approvals Taskforce Update</p> <p>Invitees: Graeme White (Director Reg East) Alison Collaros (Manager Licensing & Approvals Reg East)</p> <p>The Board noted the paper as read</p> <p>Alison Collaros advised the Board that since its formation in November 2020 the Taskforce, comprising NRAR, DPIE Water and WaterNSW has collected information and data from each of the stakeholder agencies to identify key issues and challenges with the current water licensing system. Using this information, the Taskforce has drafted and prioritised problem statements.</p> <ul style="list-style-type: none"> • The Board noted the update from staff members participating in the ongoing L&A taskforce and supported our active participation in the reform process. • The Board endorsed a refreshed improvement program which has made significant progress, seeking that the taskforce come on board with technology - E-planning portal for example - allowing us to configure to our customers advantage. • Ms Collaros advised that we have agreed on a project to enhance the E-planning portal to allow all applicants to lodge, pay for, see progress of their applications and build in our triage tools. This is being led by Kiersten Fishburn, DPIE Planning and Delivery unit. • Craig Knowles expressed thanks to Alison and her team on behalf of the Board for the hard work that has led to the dramatic improvements in L&A. 	<p>Recommendations Noted as presented Dated: 19/2/2021</p>
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<p>DQP Governance arrangements with IAL</p> <p>Invitees: Tim Gilbert Tim Gilbert (Director RC&C) Anna Browne (Snr Project Officer RC&C)</p> <p>The Board noted the paper as read.</p> <ul style="list-style-type: none">• Tim Gilbert provided an outline of the paper seeking advice from the Board as to whether there are others to be included on the list, or any additional areas of focus.• Anna Browne added that this is not an informed analysis at this stage, however, identifies the risks of privatisation and the lack of rigor around training and certification that this may bring.• Craig Knowles commented that it's a great start, and that the Board is keen to see more indepth analysis in a future paper.• Ilona Millar raised the significance of the code of conduct approach to the systematic audit project. The monitoring of performance lies with their governance, recertification process and if they don't have a dedicated resource to perform this it may pose an issue for NRAR in the future.• Craig Knowles noted that NRAR should be advocating for and participating in any potential oversight.	<p>Recommendations Noted as presented</p> <p>Dated: 19/2/2021</p> <ul style="list-style-type: none">• The Board requested a more in-depth analysis in a future paper. <p>Due: May 2021 meeting</p>
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Management Practice and General business	<ul style="list-style-type: none"> • Budget Estimates Hearing date – 1 March with the expected focus of questions to be on Floodplain Harvesting • Ilona Millar flagged for Notice - Dendrobium expansion application was rejected by IPC. • Phil Duncan asked to complete Board Evaluation for this meeting
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New/Continuing action items following meeting	Person responsible	Due date
The Board requested that the CRO invite Michelle Huntsman, DPIE Director Ethics to a future Board meeting.to present.	Sharon Ryan	17 March 2021
Meeting to discuss Prosecutions Strategy Update	Grant Barnes and Ilona Millar	17 March 2021
Board Evaluation form	Phil Duncan	Completed
Provide examples of Board Minutes/resolutions	Bruce Brown	Completed
Regular updates on the creation of a new licensing regime for Dendrobium - specifically the determination of water loss - as this will impact our historical action.	Grant Barnes	Ongoing
NRAR Transparency paper	Russell Johnson	17 March 2021
Provide Phil Duncan with Mining 101 material and general Water Management Law briefing with a focus on Mining	Russell Johson and Keeley Reynolds	17 March 2021
Provide the Board with example of “Thankyou” letters sent to M&A campaign participants.	Tara Schalk	17 March 2021

Next meeting

Wednesday 17 March 2021