

Regulatory priorities 2023-24

September 2023

nrar.nsw.gov.au



Acknowledgement of Country

The Natural Resources Access Regulator (NRAR) acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land, and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work and an ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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About our regulatory priorities

The Natural Resources Access Regulator (NRAR) was established under the *Natural Resources Access Regulator Act 2017*. NRAR's main objective is to ensure effective, efficient, transparent and accountable compliance and enforcement measures to support natural resources management legislation. Publishing our regulatory priorities shows how and where we focus our efforts, and builds and maintains public confidence in water management in NSW.

To achieve our objectives, we employ a whole-of-agency approach, responding to emerging and persistent issues according to our regulatory priorities. The regulatory priorities are crafted to align with the Water Reform Action Plan and the NSW Water Strategy, and to support the goals for water management in NSW.

This document sets out our priorities, details our approach to setting priorities, and shows how we integrate these priorities into our strategy.

Our purpose

We 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.

Regulatory priorities strategy and approach

NRAR's regulatory priorities play a central role in its strategy to encourage voluntary compliance and solve problems that have the greatest impact on water management. They may include emerging issues or matters that require a targeted whole-of-agency approach to achieve effective regulatory outcomes.

Annual priorities

Annual priorities put targeted sectors of our regulated community on notice to comply with the law. They can be either statewide or specific to an area or region.

The goal of NRAR's annual priorities is to drive widespread voluntary compliance as effectively as possible using the most appropriate mix of regulatory tools. We will support water users to move into compliance where appropriate and will take strong enforcement action against those who wilfully and persistently engage in unlawful conduct.

Annual priorities are reviewed annually to ensure we focus on issues of importance. We're adaptive and responsive to issues outside of agency control, such as droughts and floods, and we appropriately direct resources to new and emerging issues, even if they're not yet identified in our regulatory priorities. NRAR may continue to focus on annual priorities in subsequent years if the impact persists beyond an acceptable level.

Enduring priorities

Our enduring priorities address activities and conduct that typically pose greater risk to water management in NSW, or are values that underpin the decisions we make and the work we do.

Enduring priorities are often complex and take longer to solve or act on and may be areas that NRAR will always consider important. Enduring priorities often require additional work beyond supporting industry and enforcing the law. In addition to the work we do in our annual priority areas, we incorporate activities relating to our enduring priorities in our day-to-day work.



How we determine our priorities

We utilise the expertise of our compliance teams alongside data and intelligence to review and identify priority areas. Our dedicated specialists are always testing and adopting new technologies to advance our ability to identify those engaging in unlawful activity.

To achieve the greatest overall benefit for the state, NRAR considers several factors when identifying the regulatory priorities, including but not limited to:

- the areas and activities with a history of non-compliance
- the activities with the highest potential for harm to the environment and other water users
- the persistence and solvability of the issue
- delivering balanced outcomes that support the greatest impact on compliance and water management.

1. Identify

Data from internal sources, community reports, licence conditions, water accounts, water allocations, drones and ongoing satellite monitoring are all used in combination to identify areas for NRAR's focus. Intelligence specialists undertake horizon scanning for upcoming issues that are likely to become significant, such as dry or wet conditions, and changes in the regulatory and legislative framework that may require NRAR's attention.

2. Understand

Intelligence specialists work with compliance teams to capture knowledge and deepen our understanding of real-world non-compliance and harm. Regions, activities or industries that engage in non-compliant activity are targeted. We can target individual properties where we suspect unlawful activity and prioritise these for inspection. All information gathered is used to determine the best regulatory tools and approach to solve the issue.

3. Support

NRAR promotes priority areas and upcoming campaign work. As part of the campaign process, NRAR may engage with local industry and representative groups to help support those who want to do the right thing and move into compliance. NRAR encourages water users towards voluntary compliance and may undertake education or extension work. There is also an opportunity for those who are unable to become compliant to self-report to NRAR. We will use discretion in accordance with the NRAR Regulatory Policy¹ when deciding on a response to any non-compliance identified.

4. Enforce

Those who continue to engage in unlawful activity will be prioritised for strong enforcement responses. NRAR will act more severely against those who break the law in priority areas. When deciding on an appropriate response to non-compliance, NRAR will consider the degree of harm, the culpability of the person, the public interest and the attitude to compliance, in accordance with the NRAR Regulatory Policy.

1. https://www.nrar.nsw.gov.au/_data/assets/pdf_file/0009/474417/NRAR-Regulatory-Policy.pdf

Regulatory priorities 2023-24

Our annual priorities

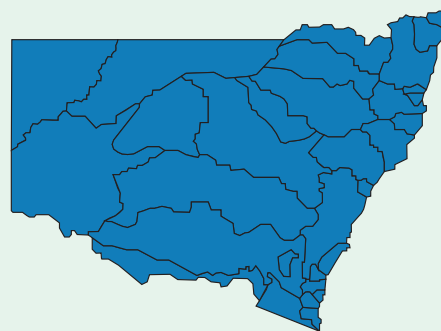
The aim of our 2023-24 annual priorities is to solve problems that have the greatest impact on compliance and water management. The areas we are focusing on to make that happen are:

Non-urban water metering

Target: statewide

The non-urban water metering reform is one of the most significant changes to water management in NSW in the last few decades. NRAR will continue to make sure people are following the metering rules.

As a risk-based regulator, we 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. This phase will concentrate on remaining high and medium volume works due to comply in the northern inland, and in the southern inland now that their metering deadline has passed.

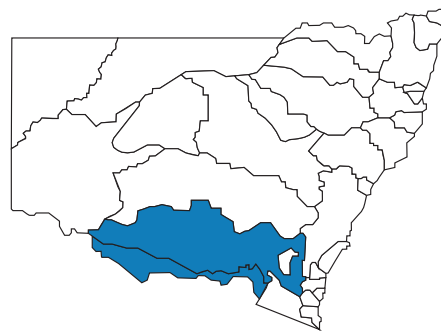


Irrigated agriculture

Target: Murray and Murrumbidgee

Irrigated agriculture accounts for 80% of water taken in NSW. The extraction and use of large water volumes for producing crops such as grains and berries can harm the environment and other water users if done unlawfully.

NRAR will focus on oversized dams and unapproved water storages used for irrigation purposes. Farm dams, even if small, can have a big impact on water flow during dry years, leaving less water downstream for other users and the environment. We will encourage water users to come into compliance by obtaining the correct approvals, purchasing water to account for excess water held in storages or modifying the size of storages.

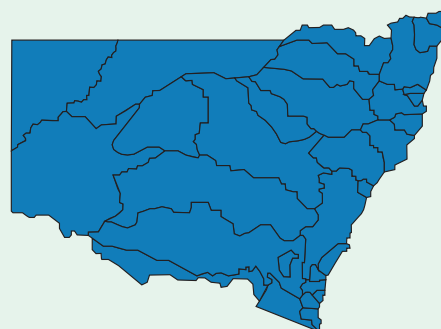


Overdrawn accounts

Target: statewide

Water users who take water they haven't ordered and/or more than they're allowed, are breaking the conditions of their Water Access Licence (WAL). This can upset the flow of rivers, which may cause problems for nearby communities, Aboriginal cultural practices and dependent ecosystems.

NRAR's objective is to identify accounts that have unlawfully entered into a negative balance and, over time, increase the severity of enforcement action to shift industry behaviour. Responding to overdrawn accounts using a greater range of regulatory tools will improve water management information.





Our enduring priorities

The following enduring priorities will play a significant role in NRAR's programs and activities for years to come:

Accurate water measurement

Ensuring water is accurately accounted for is a cornerstone of the government's metering reforms. It will contribute to building community confidence in our water laws and allow for better water allocations. Transparency of water take builds trust in communities that this precious resource is fairly shared. It also enables efficient and effective enforcement for the benefit of all water users.

Unlawful activity that causes significant harm to the environment and other water users

We will take strong action against people who undertake unlawful activities that are likely to have significant environmental or hydrological consequences for water sources or a high impact on other water users. Investing in our technological and investigative toolkit will make it easier for us to detect and hold to account individuals and companies involved in harmful activities.

Protecting and prioritising Aboriginal cultural values

Water is central to the cultural and spiritual values of Aboriginal peoples of NSW and is intrinsically linked to their obligations in caring for Country.

We will evaluate and consider cultural harm in our regulatory actions and embed an acknowledgement and understanding of Aboriginal values in NRAR's business as usual activities. We will build meaningful relationships that will deliver positive outcomes for Aboriginal communities through targeted stakeholder engagement and regulatory programs. We will strive to create a culturally safe workplace for Aboriginal staff.

Unauthorised structures that divert water away from the environment

We will regulate people with unauthorised structures on the floodplain who divert water away from the environment or from places and traditions of cultural significance. This includes unauthorised structures that divert water that could have been taken legitimately by other water users.

