137 Beamish Street, Campsie NSW 2194
P: 02 9707 5724
E: info@cooksriver.org.au www.cooksriver.org.au

Date: 11 August 2020

To: Productivity Commission (water.reform.2020@pc.gov.au)

Subject: Submission to National Water Reform Inquiry, 2020

Dear Sir/Madam,

We appreciate the opportunity to provide a submission for consideration during the National Water Reform Inquiry to assist with policy development to facilitate achieving effective waterway management in the long-term interest of the Australian community.

We are an organisation funded by local government to provide support for their waterway management initiatives across the Cooks River catchment in southern Sydney. The catchment has in excess of 540,000 residents. As for other highly urbanised landscapes, the tributaries flowing to the Cooks River display all the symptoms of the Urban Stream Syndrome. There has been a gradual decline in the provision of ecosystem services from the river. Communities continue to highly value their local waterways and local governments invest considerable resources into urban waterway management. However, there are substantial barriers to achieving integrated urban water management, including the legacy of extensive ageing engineered stormwater infrastructure designed to provide drainage without consideration of other environmental, social or economic impacts. Given that the urban population across Sydney is growing and there will be increased demands on water resources, a business as usual approach to urban waterway management will exacerbate the existing problems. Climate change (e.g. rising sea levels) will also increase the pressure on water resources, ageing stormwater infrastructure and urban communities. There has been considerable work done to demonstrate the multiple benefits of integrated urban water management, by the federally funded Cooperative Research Centre for Water Sensitive Cities (CRCWSC) and others. Our submission is in support of regulatory reform that incentivises integrated urban water management to realise the vision of stormwater being transformed from a problem into a valuable resource.

It is well recognised that urban streams are highly degraded, owing to the surrounding landscape being transformed, with a dramatic increase in cover by impervious surfaces, and being constantly bombarded by high flows of polluted stormwater. Stormwater continues to be a resource that is being turned into a burden hindering achieving multiple environmental and other public benefits. Our evidence from the Cooks River Ecological Report Cards is that local urban streams have highly degraded riparian vegetation, very poor water quality and highly depauperate waterbug communities. Within Report Cards, local urban streams have consistently been graded 'Poor' over both time and space. In summary, that study showed that all urban streams are currently functioning largely as drains, rather than realising the full range of environmental, social and economic values that they could provide through an integrated urban water management approach. The river has clear targets for improving some components of water quality from the Botany Bay and Catchment Water Quality Improvement Plan, which was developed by the Sydney Metropolitan Catchment

CooksRiver ALLIANCE

137 Beamish Street, Campsie NSW 2194
P: 02 9707 5724
E: info@cooksriver.org.au www.cooksriver.org.au

Management Authority, with federal support (SMCMA, 2011[1]). However, that organisation no longer exists and remaining authorities do not have adequate resources to implement the plan. There are well-documented declines in the environmental condition of urban waterways across Australia, with associated loss in social and economic opportunities. Recent studies done in partnership between Georges Riverkeeper and UNSW show that local councils are investing in Water Sensitive Urban Design, but resourcing constraints (anecdotally including an over reliance on unreliable grant funding) are hindering optimising the environmental, social and economic benefits. The recent drought highlighted the vulnerabilities of current water supplies and the folly of directing most of the potentially useful stormwater resource down the drain in urban landscapes.

Fortunately, the 2004 National Water Initiative (NWI) explicitly acknowledges that 'governments have a responsibility to ensure that water is allocated and used to achieve socially and economically beneficial outcomes in a manner that is environmentally sustainable'. The specific issues related to urban waterway management have been acknowledged within the NWI (e.g. paragraph 92), which was expanded upon in the 2017 inquiry (PC, 2017[2]). There has been considerable investment in exploring solutions, including regulatory frameworks, which would improve the wellbeing of the community as a whole. However, our experience on-the-ground is that the hindrances to effective integrated urban water management remain, which is unfinished business from the NWI, as detailed in the recent paper from the Productivity Commission (PC, 2020[3]). It would be very beneficial to have policy settings that incentivised such management. In broad terms, we support the recommendations from the CRCWSC (McCallum & Boulot, 2016[4]) and Productivity Commission (PC, 2020[5]) targeted at improvements in policy to support integrated urban water management.

Specifically, to support the implementation of the extensive knowledge that Australia has gained about integrated urban water management, and facilitate achieving the objectives of the NWI for urban waterways and communities, we recommend consideration of the following regulatory changes:

- Becoming a Water Sensitive City: A comparative review of **regulation** in Australia, by McCallum and Boulot, CRCWSC (2015).
- Reconfigure **regulatory frameworks** that impede the emergence of innovative water sensitive service delivery.
- Through **regulations**, provide economic incentives to incentivise water sensitive initiatives that provide a broad range of environmental and other public benefit outcomes in surface and groundwater systems to protect water sources and their dependent ecosystems, as well as the multitude of ecosystem services with social benefits.
- Provide **regulatory incentives** to improved monitoring and maintenance of water sensitive design assets.

[1] SMCMA (2011). Botany Bay and Catchment Water Quality Improvement Plan. Sydney Metropolitan Catchment Management Authority, Sydney.
[2] PC (2017). National Water Reform, Productivity Commission Report no. 87, Canberra.
[3] PC (2020). Integrated urban water management: why a good idea seems hard to implement. Productivity Commission Research Paper, Canberra.
[4] McCallum T & Boulot E (2015). Becoming a water sensitive city: a comparative review of regulation in Australia. Cooperative Research Centre for Water Sensitive Cities, Melbourne.

137 Beamish Street, Campsie NSW 2194
P: 02 9707 5724
E: info@cooksriver.org.au www.cooksriver.org.au

- Consistent with the principle of including externalities in pricing of water resources as stated in NWI, continue to develop **pricing policies** to encourage efficient use of stormwater as a resource, rather than as a burden to be quickly directed into drains.
- Clarify roles and responsibilities of the integrated urban water management in planning and providing urban amenity. Improve **policy frameworks** for making planning decisions that balance enhanced liveability against additional costs.
- **Legislation** for increased State Government support for catchment management organisations in urban regions of NSW, which lacks Catchment Management Authorities.

Thank you for consideration of this submission. Please contact Cooks River Alliance (Thomas.sinclair@cbcity.nsw.gov.au) if you require clarification or more information regarding this submission.

Yours Sincerely,

Thomas Sinclair
Cooks River Alliance, Senior Catchment Officer

Sue Burton
Cooks River Alliance, Executive Officer