



Australian Government



Inspector-
General of
Water
Compliance

Annual Workplan 2022–2023



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Acknowledgement of the Traditional Owners of the Murray–Darling Basin

The Author pays respect to the Traditional Owners and their Nations of the Murray–Darling Basin. We acknowledge their deep cultural, social, environmental, spiritual and economic connection to their lands and waters.

The guidance and support received from the Murray Lower Darling Rivers Indigenous Nations, the Northern Basin Aboriginal Nations and our many Traditional Owner friends and colleagues is very much valued and appreciated.

Aboriginal people should be aware that this publication may contain images, names or quotations of deceased persons.

Accessibility

The document and information is available in accessible formats. On some occasions the highly technical nature of the document means that we cannot make some sections fully accessible. If you encounter accessibility problems or the document is in a format that you cannot access, please contact us.

Inspector-General of Water Compliance

The Inspector-General of Water Compliance was established by the Australian Parliament on 5 August 2021 to provide the public with transparency, get to the truth on how water is managed and ensure compliance with the Basin Plan's water rules. The Inspector-General's independence and focus on community engagement aims to ensure that water compliance is fair and equitable.

The Inspector-General has powers to scrutinise, provide oversight of and monitor compliance with the Basin Plan 2012, Water Resource Plans and intergovernmental agreements and arrangements relating to water resource management in the Basin.

The Inspector-General is supported by offices working from five regional offices across the Murray-Darling Basin (Goondiwindi, Dubbo, Albury, Mildura and Loxton) along with various staff in Canberra, Adelaide, Sydney and Brisbane.

Workplan

Following the Inspector-General's first year of operation, this 2022–2023 workplan reflects the chosen approach to prioritise work aimed at ensuring water is managed in accordance with the rules set by the Basin Plan and report the facts to the community.

As an independent regulator, the Inspector General has discretion in performing compliance and enforcement functions, and at any time may use their powers and choose to change the priorities beyond those published in the workplan.

Key priorities in the workplan

The Inspector-General takes a proactive risk-based approach to address the risks in water compliance and areas where the office has concerns about water management and compliance. This enables the Inspector-General to focus its regulatory activities and resources on areas where the relative risks of possible or actual non-compliance or harm are greatest.

Three prioritised focus areas have been identified for the 2022–2023 year:

- Trade enforcement
- Water Resource Plan compliance
- Building trust and confidence throughout Basin communities and water stakeholders

The workplan will be reviewed throughout the year to ensure the oversight, compliance and enforcement responses and activities are appropriate and effective. The workplan includes activities that may span multiple years to complete and may also be varied to reflect new priorities, inquiries requested of the Inspector-General and changing risks.

Development of the workplan

The workplan is designed to respond to current and emerging risks and challenges affecting water compliance. A range of factors are considered to set the work program, including:

- what community groups and stakeholders have told the Inspector-General and their office
- analysis of water compliance data and information demonstrating the level of compliance with the Basin Plan and water management arrangements in each state
- the condition of the Basin including water quality, health of the river and the environment
- monitoring and oversight of governments meeting their commitments to the public and each other
- the current state of water reforms and potential future scenarios and likely challenges.

The Inspector-General recognises there are current challenges that affect the Basin's communities and resources. Consideration of short, medium and long-term risks has highlighted that climate, changing demographics, new technologies and changing social values, are all influencing and shaping the industries and communities in the Basin. The Inspector-General will adapt the workplan as required.

Delivering against the workplan

The Inspector-General will undertake inquiries (if planned or required) and publish reviews and audits to report to the community how water is managed. The Inspector-General will publish the outcomes of key areas of work to support transparency and ensure compliance with legislation. Please consult the website at: www.igwc.gov.au for all previous publications.

Priority 1: Trade enforcement

Why it's a priority

The healthy operation of the water market relies on transparent, accurate and timely reporting of data. Water market compliance and enforcement are predominantly the domain of Basin states, however the Inspector-General has a limited role to enforce rules within the Basin Plan. The ACCC's final inquiry report demonstrated that significant improvements are needed across all aspects of water market regulation and a concerted effort is required by all levels of government and regulators.

Inspector-General's desired outcome

The regulated water community understand the rules and comply with them.

What the Inspector-General will do

- Focus on provisions in the Water Act and the Basin Plan which require the price of a trade to be reported.
- Publish one audit report in relation to compliance with trade disclosure obligations under the Murray-Darling Basin Plan.
- Publish one audit report in relation to trade accounting and compliance.
- Undertake investigations into compliance with the Basin Plan Water Trading Rules and take enforcement action as appropriate.

Priority 2: Water Resource Plan compliance

Why it's a priority

This is about integrity. WRPs are where the 'rubber hits the road' under the Basin Plan. WRPs are an essential part of implementing the Basin Plan. At the time of publication, none (zero) of the 20 WRPs have been accredited in NSW.

Inspector-General's desired outcome

Enhanced Water Resource Plan compliance to support trust and confidence in the Basin Plan.

What the Inspector-General will do

- Monitor progress of the 20 NSW Water Resource Plans toward accreditation.
- Publish two Water Resource Plan audits.
- Undertake research and intelligence gathering to support Water Resource Plan risk assessments and compliance.

Priority 3: Building trust and confidence

Why it's a priority

The Inspector-General has heard, time and time again when speaking with and listening to the community, trust and confidence across the Basin are recognised as being fundamental challenges in relation to water compliance, and water management more broadly. The Inspector-General's role was established to strengthen compliance, increase transparency, improve trust and build community confidence — a focus that has driven everything that the Inspector-General has done since being formally established on 5 August 2021.

Inspector-General's Desired outcome

By undertaking evidence-based research, the Inspector-General will determine the drivers of mistrust and the origin of mistruths in order to build confidence in water compliance across the Basin.

What the Inspector-General will do

Undertake qualitative and quantitative research across the Basin to form an evidence base of trust and confidence in water management and compliance that can be monitored.

Using plain English, communicate with the public the role and legislative remit of the Inspector-General, including powers, scope and deliverables.

Publish findings into matters relating to environmental water, river operations and state differences in water compliance management.