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12 June 2025

NSW Environment Protection Authority
Locked Bag 5022
PARRAMATTA NSW 2124

By email to: metrowater.infrastructure@epa.nsw.gov.au

Dear Submission Recipient,

**Re: Submission to NSW EPA's review of Sydney Water licences**

The Sydney Coastal Councils Group (SCCG) welcomes the opportunity to provide a submission to the NSW Environment Protection Authority's (EPA) five-yearly review of Sydney Water's environmental protection licences (EPLs).

## 1. Background to the SCCG and its work with Sydney Water

The SCCG is a regional organisation of councils established in 1989 to promote the sustainable management of Sydney's coasts and estuaries through collaboration, capacity building, advocacy and research. We comprise nine member councils who represent approximately 1.3 million Sydneysiders.

The SCCG seeks to ensure Sydney's coastal foreshores and waterways are protected and healthier in line with Goal 2 of its 2019-2029 Strategic Plan. Specifically, it aims for water quality at Sydney's beaches and other swimming spots to be consistently rated as good or better through a reduction in direct and indirect pollution loads to waterways, like sewage overflows.

Our member councils are frequently on the frontline in dealing with poor water quality and amenity issues that arise in large part due to overflows from Sydney Water's sewerage network. For example, our member councils are often the first port of call for residents in notifying sewage-related issues. In recent months, councils have had to close beaches and undertake clean-up activities due to the presence of 'debris balls' that Sydney Water has now acknowledged originates from its sewerage network.

The SCCG maintains a strong working relationship with Sydney Water that enables us to work cooperatively to address these issues. We hold quarterly meetings with Sydney Water, in line with a memorandum of understanding between SCCG and Sydney Water, to discuss relevant matters. These matters typically include operational issues raised by our member councils, for example, around the notification of and response to local sewage-related issues, as well as more strategic matters such as common projects, the IPART determination of Sydney Water prices, and environmental monitoring programs like the NSW Beachwatch Program and Sydney Water Aquatic Monitoring (SWAM) program.

Sydney Water is also a project partner on the Outer Sydney Harbour Coastal Management Program (CMP) that is being developed by SCCG in accordance with the NSW coastal management framework. Sewage overflows have been identified as a significant threat to the health and amenity of Sydney Harbour, and as such are a key focus of the CMP.

On behalf of its members, the SCCG recently made a submission on IPART's review of Sydney Water prices from 1 July 2025 in which we generally supported Sydney Water's price proposal and specifically measures to prevent pollution in Sydney's east. Notwithstanding, as part of our IPART submission and in letters to the Minister for the Environment, we have called for Sydney Water to financially contribute to or take over the monitoring of swim sites in Sydney's coastal areas rather than the NSW Government shift costs onto local government.

We continue to work collaboratively with Sydney Water and other multi-council catchment groups to improve catchment and waterway management across the Sydney region. Sydney Water staff also regularly present to staff from our member councils on relevant topics during quarterly meetings of SCCG's Technical Committee.

Given this focus, the SCCG is most interested in the coastal sewerage systems of Cronulla, Malabar, Bondi and North Head. Our comments are therefore related to the environment protection licences (EPLs) covering these systems and, specifically, licence conditions related to pollution limit conditions (EPL Section 3), environmental monitoring (EPL Section 5), reporting (EPL Section 6) and pollution studies and pollution reduction programs (EPL Section 8).

## 2. The NSW Beachwatch Program

The NSW Beachwatch Program is a long-running, state-funded water quality monitoring program that provides daily forecasts on the suitability of sites for swimming as well as annual reports on the overall state of swim sites. The suitability and overall rating of monitored Beachwatch sites is heavily influenced by rainfall and sewage overflows.

The SCCG asserts that swim sites across the Sydney region with consistently poor Beachwatch ratings are primarily impacted by sewage contamination from overflows, which are the responsibility of Sydney Water. Research conducted at Rose Bay using molecular microbiology has clearly identified human faeces from sewage as the key source of contamination, persisting in both wet and dry weather conditions[1,2]. Additionally, significant pollution events over the Summer, including debris balls washing up on 22 beaches, have been identified by the EPA as likely originating from Sydney Water's land-based sewerage treatment network.

For many of the Beachwatch sites that have consistently received poor ratings in the past, working groups consisting of representatives from Sydney Water, councils and the community have been established to prioritise actions to address water quality issues. For Rose Bay, it led to detailed testing by University of Technology Sydney to determine sewage sources and which sewers were in most need of repair[3].

In late 2023, the NSW Government announced its intention to shift the costs of the NSW Beachwatch program in the Sydney region onto local councils. In response, the SCCG wrote to the NSW Government about Beachwatch, arguing, amongst other things, that councils had no legal responsibility for monitoring and that Sydney Water should take greater financial responsibility for monitoring. In large part due to SCCG's advocacy, the NSW Government reversed its decision and committed to funding the Beachwatch program for another two years.

[1] Olds et al. (2018), "High levels of sewage contamination released from urban areas after storm events: a quantitative survey with sewage specific bacterial indicators", *PLoS Med*, 15, 1–24.
[2] Williams et al (2022), "Molecular microbiological approaches reduce ambiguity about the sources of faecal pollution and identify microbial hazards with an urbanised coastal environment", *Water Research*, 218.
[3] ibid

It remains unclear, however, why Sydney Water had not been asked by the NSW Government to fund the Beachwatch Program in the Sydney region instead of councils. We note that Sydney Water conducts water quality monitoring at Beachwatch sites in the Illawarra region despite there being no apparent EPL condition requiring this. We also note that Hunter Water conducts monitoring at Beachwatch sites in the Hunter region but is required to do so under its EPL conditions.

There is a clear inequity in approaches across the regions and this review of EPLs presents an important opportunity to rectify this. We suspect the regional difference in monitoring requirements could partly be explained by the construction of Sydney's deep ocean outfalls in the early 1990s. However, although the deep ocean outfalls led to improvements in water quality at Sydney's coastal beaches, ongoing dry and wet weather overflows continue to impact on beaches and swim sites within Sydney's estuaries and lagoons. For instance, six of the 42 estuarine sites monitored (i.e. 14%) within the LGAs of SCCG member councils continue to receive poor or very poor ratings. Additionally, eight (i.e. 19%) of the estuarine sites have deteriorated over the last six years.

We maintain that a sewerage authority like Sydney Water must actively monitor swim sites, particularly in estuaries, across all coastal regions of NSW. The ongoing impact of sewage overflows highlights the urgent need for a long-term recreational water quality monitoring program to protect public health and maintain environmental standards. Additionally, climate change-driven factors, such as rising urban temperatures, are increasing demand for access to waterways, making the need for consistently safe swim sites more critical than ever.

**Recommendation 1:** The EPA consider adding the monitoring of Beachwatch sites by updating relevant conditions in Sydney Water's EPLs, similar to conditions in the Hunter Water EPLs.

### 3. Pollution Incident Notifications

The R5 licence condition requires Sydney Water to notify relevant authorities, including local councils, of incidents causing environmental harm. Up until late 2022, notifications were made via Sydney Water's online incident reporting platform called 'SW Connect' which enabled councils to have real-time access to the status of incidents. This greatly assisted Councils in responding to community inquiries about specific incidents.

Since early 2023, Sydney Water has been transitioning its pollution incident notification function to a new system based on the Noggin software platform. This internal system no longer provides access to councils which means that councils can only interact with Sydney Water regarding pollution incidents via telephone or email which has led to frustrations by councils. The SCCG has been working closely with Sydney Water and member councils to resolve issues with the new notification system including issues relating to the timely notification of incidents, the criteria by which incidents are notified, and follow-up actions such as warning signs and clean-up.

Sydney Water also notifies the NSW Government of pollution incidents within one kilometre of a Beachwatch site and uploads this information to its website for community reporting. Any future changes to the Beachwatch Program in two years due to a withdrawal of funding by the NSW Government may mean that the community will no longer be alerted. The SCCG has raised this directly with Sydney Water which has advised that changes to its notification system are likely to be required if Beachwatch sites are removed.

**Recommendation 2**: The EPL conditions be strengthened by listing fundamental principles by which notifications should be made or alternatively would form a basis for preparing the required Pollution Incident Response Management Plans. Principles should include:

- timely notification of and updates on pollution incidents
- transparency of and public accessibility to real-time information on pollution incidents
- cooperation and coordination with local councils on incident response
- incident responses informed by an understanding of the social and ecological value of waterways at risk as well as the cumulative impact of incidents.

## 4. Pollution Studies and Reduction Programs

The SCCG is supportive of continuing the conditions in EPL Section 8 requiring Sydney Water to implement programs around prioritising and taking action to reduce wet weather overflows, dry weather overflows and sewer chokes. We note the conditions requiring draft programs to be submitted to the EPA for comment and for EPA comments to be addressed before resubmission of the program as final.

To improve the consultation process with councils, the SCCG would like to see draft programs for overflow and sewer choke reduction be provided to relevant councils for their comment as they are best placed to advise on local ecological and social impacts of overflows. This information would assist Sydney Water in identifying and prioritising appropriate action as well as assist the EPA in setting dry weather overflow limits.

We understand Sydney Water previously supported community reference groups associated with each of Sydney's major sewerage systems. Given the ongoing high level of community interest in waterway health and recreation, we suggest the EPA consider introducing a new license condition requiring Sydney Water to establish one or more community reference groups. Such groups can provide the forum for Sydney Water to consult directly with interested community members or community groups on its pollution reduction programs.

The SCCG also believes it is important that Sydney Water's pollution reduction programs be directed towards helping achieve NSW water quality objectives and the overall aims of coastal management programs (CMPs) being undertaken by councils across Sydney in accordance with the NSW coastal management framework. We therefore suggest the EPA consider the benefit of updating licence conditions or adding further information in the form of a note within EPL Section 8 to ensure pollution reduction actions are explicitly linked to relevant water quality objectives and CMPs.

Finally, we suggest that dry weather overflow limits and choke improvement requirements discussed in Conditions L7.4 and L 7.5 respectively are set based on their ability to help achieve relevant water quality objectives, particularly regarding swimmability.

**Recommendation 3**: Require Sydney Water to:

- provide draft programs for overflow and sewer choke reduction to Councils prior to finalisation
- establish community reference groups to provide a forum for Sydney Water to consult directly with local communities
- link pollution reduction actions with relevant NSW Water Quality Objectives and CMPs
- ensure dry weather overflow limits and choke improvement requirements (Conditions L7.4 and L 7.5 respectively) are set based on their ability to help achieve relevant water quality objectives, particularly regarding swimmability.

## 5. Reporting

The SCCG is supportive of continuing Condition E1 requiring Sydney Water to commission an expert report to assess and make recommendations to improve Sydney Water's response to dry weather overflows. Given the issues raised above, the SCCG recommends this condition be improved and strengthened.

**Recommendation 4:** Make amendments to Condition E1 by:

- including wet weather overflows
- interviewing councils on how pollution incident notifications are received, how pollution risk is communicated and how pollution incidents are managed overall
- making the draft report available to councils for comment.

## 6. Limit Conditions

We would encourage the EPA to consider adding emerging contaminants of concern, such as per- and polyfluoroalkyl substances (PFAS), to the list of assessable pollutants given in EPL Section 3.

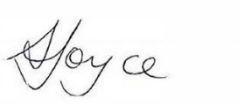
We appreciate it may be difficult if not impossible to set concentration and load limits for such pollutants given the lack of knowledge and regulation on what constitutes acceptable limits in wastewater, and the fact that Sydney's coastal sewage treatment plants are currently not designed to remove such pollutants. However, monitoring of such pollutants could assist in determining their environmental fate and long-term impact and make investment plans for upgrading treatments in the future. This is consistent with our submission to the Select Committee on PFAS contamination in which we call for further research into cost-effective PFAS treatment technologies and for further funding for environmental monitoring and impact assessment.

**Recommendation 5:** Consider adding emerging contaminants of concern such as PFAS, to the list of assessable pollutants given in EPL Section 3.

I trust our submission will be helpful in informing the EPA's review. Please note that our submission should be read in conjunction with any submission from our individual SCCG member councils.

Please do not hesitate to contact me at sarah@sydneycoastalcouncils.com.au should you have any queries.

Yours sincerely



Sarah Joyce
**Executive Director**