



**Section 1: Victoria's Drinking  
Water Quality Regulatory  
Framework and activities of the  
Department under the Act**

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### Victoria's Drinking Water Quality Regulatory Framework

The regulatory framework for safe drinking water in Victoria is comprised of two pieces of legislation:

- the *Safe Drinking Water Act 2003* (the Act), which commenced on 1 July 2004
- the *Safe Drinking Water Regulations 2005* (Regulations), which commenced on 19 July 2005

In addition to these legislative instruments, the Department of Human Services provides water businesses with policy direction and other guidance on a range of matters relating to safe drinking water.

The major focus of the Department over the 2005–06 reporting period has been the ongoing implementation of the framework. This has consisted of implementing and providing guidance on the Regulations, providing further guidance on various aspects of the Act, and ensuring that water businesses meet their regulatory obligations under the framework.

The Act recognises two types of water business: water storage managers and water suppliers. A water storage manager is a water business that supplies water to a water supplier, either by releasing water to the water supplier, or permitting the water supplier to take water from a water storage area. A water supplier is a water business that supplies drinking water or regulated water to the public. It is usually the water supplier who treats the water. The only exception to this is Melbourne Water, which is a water storage manager for the purposes

of the Act, but they also treat the water prior to supplying it to various water suppliers.

A list of the water storage managers and water suppliers to which the regulatory framework applies can be found in Appendix A. The main change from the previous reporting period is that South West Water, Portland Coast Water and Glenelg Water merged to form Wannon Water on 1 July 2005.

### Administration of the Act

The Drinking Water Regulatory Section, which is part of the Department's Public Health Branch, administers the legislation on behalf of the Secretary to the Department of Human Services. The primary functions of this section are to oversee the implementation of, and monitor compliance with, the Act and Regulations.

### Functions of the Department of Human Services

- protect public health in relation to the supply of drinking water
- monitor and enforce compliance with this Act and the Regulations
- report on the performance of water suppliers and water storage managers in relation to the requirements imposed on them under this Act
- investigate and report on any aspect of drinking water quality in Victoria
- make recommendations to the Minister for Health on any matter relating to drinking water or regulated water
- promote industry and public awareness and understanding of drinking water quality issues.

These functions are prescribed in section 27 of the Act.

### Overview of the Act and Regulations

#### *Safe Drinking Water Act 2003*

- requires water suppliers and water storage managers to prepare and implement plans to manage risks in relation to drinking water and some types of non-potable water
- provides for the auditing of those plans by approved auditors
- requires water suppliers to ensure that the drinking water they supply meets quality standards specified by the Regulations
- requires water suppliers to disclose to the public information concerning the quality of drinking water
- provides for the variation, after community consultation, of water quality standards that relate only to aesthetic factors
- requires the reporting of known or suspected contamination of drinking water to the Department of Human Services
- empowers the Secretary to the Department of Human Services to enforce this Act

#### *Safe Drinking Water Regulations 2005*

- set out the further matters to be addressed in risk management plans and the risks to be specified in risk management plans
- describe the documents that are to be available for inspection in a risk management plan audit
- prescribe the form of audit certificates to be given to the person who has commissioned a

risk management plan audit at the completion of the audit

- set out the risk management plan auditor approval criteria
- set out drinking water quality standards
- set out requirements relating to the frequency of collection of samples of water for analysis
- empower the Secretary to:
  - divide areas supplied by water suppliers into water sampling localities
  - specify locations within a water sampling locality at which samples of water are to be collected
  - vary the frequency of collection for samples of water in certain circumstances
  - approve persons to be approved water analysts
- require all water samples to be analysed by an approved water analyst and a summary of the results of the analyses to be given to the Department
- specify the issues relating to the quality of drinking water and regulated water in an annual report every financial year
- set out details to be included in an annual report to the Secretary.

### Risk management plans

A risk-based approach to the management of drinking water supplies using risk management plans provides a framework for managing, reviewing and maintaining high quality drinking water supplies from catchment to tap. The application of risk management principles promotes a proactive, rather

than reactive, approach to the provision of safe drinking water.

The plans are required to ensure that management and operational procedures and practices are implemented so the treated water does not pose a risk to public health. The Act stipulates these plans were to be in place by 1 July 2005.

The majority of water businesses had existing incident management protocols prior to 1 July 2005 and some also had existing risk management processes. The regulatory framework required businesses to integrate these existing protocols and processes into the required risk management plan format, as detailed in the Act and Regulations. It is also a requirement that the risk management processes be revised and updated to take into account reviews of incidents or changes in risk.

### Risk management plan audits

The Act establishes a process by which the Department can request a water business to have its risk management plan audited by an approved auditor. The requirement to have the plans audited provides confirmation the water businesses are managing risks to the water supply in accordance with the requirements of the Act and Regulations.

### Standards for drinking water quality

Section 17 of the Act requires drinking water supplied by a water supplier to comply with the nine water quality standards set out in Schedule 2 of the Regulations. These include *Escherichia coli* (*E. coli*), turbidity and a range of by-product chemicals that may result from water treatment chemicals commonly used by the Victorian water industry.

The Regulations require water suppliers to regularly report against the drinking water quality standards. This is to verify that safe drinking water is being delivered to Victorian consumers.

Additionally, under section 18 of the Act, water suppliers are also required to report instances where drinking water that they have supplied did not meet the standards. A summary of this information for the 2005–06 reporting period can be found in Appendix B. More detailed discussion of the results for individual water businesses can be found in Section 3 of this report and in the annual water quality reports of the businesses.

Beyond the requirement to supply drinking water that meets the water quality standards, water suppliers have a generic obligation, under regulation 10(b) of the Regulations, to supply water that does not contain any algal toxin, pathogen, substance or chemical that may pose a risk to human health. Compliance with this obligation is met by supplying drinking water that complies with the health-related guideline values detailed in the *Australian Drinking Water Guidelines* (National Health and Medical Research Council (NHMRC) & Natural Resource Management Ministerial Council (NRMCC) 2004).

### Reporting of water quality incidents and events

Section 22 of the Act requires water businesses to report water quality issues of potential public health significance to the Department. A summary of the incidents and events reported to the Department during the reporting period are presented in Section 2, and detailed in Appendices C and D.

## Undertakings

Where the Department or water businesses identify non-compliance with the requirements of the Act or Regulations, the Secretary may accept a written undertaking from the business to rectify the non-compliance within a certain period of time. Undertakings accepted during the reporting period are summarised in Appendix E.

## Disclosure of information

The Act requires water businesses to provide the following information to the Department:

- notifications of known or suspected contamination, under section 22 of the Act
- notifications of breaches of the water quality standards, under section 18 of the Act
- an annual water quality report, under Section 26 of the Act, that discusses the matters required by the Regulations.

The annual water quality reports submitted to the Department are public documents, and can be obtained by contacting the appropriate water business. The contact details for Victorian water businesses are provided in Appendix F.

## Regulated water

Some water businesses supply a number of their customers with water that is not intended for human consumption. If it is considered that this water could be mistaken as drinking water the Minister for Health may declare it to be regulated water.

A water business supplying regulated water is obligated to prepare a risk management plan for the water, and

to take all reasonable steps to ensure that the community is made aware of the nature of the water and of the health risks that may arise from the consumption of the water.

## Matters not covered by the Act

The Act does not apply to:

- water not intended for drinking and which cannot be mistaken for drinking water
- the supply of water for irrigation purposes
- the supply of water by a proprietor of prescribed accommodation within the meaning of Part XII of the *Health Act 1958* to such accommodation
- the supply of packaged drinking water.

## Activities of the Department of Human Services

During the reporting period the Drinking Water Regulatory Section consisted of a program manager, two senior project officers and two project officers. The following activities, in relation to the Act and Regulations, were undertaken by the Section during the reporting period.

### Implementation of the Safe Drinking Water Regulations 2005

The Safe Drinking Water Regulations 2005 commenced on 19 July 2005.

During the rest of the reporting period the Department undertook the implementation of the Regulations. The primary implementation activities were:

- establishing an approval process for water analysts, and then approving analysts using this process
- establishing a process for specifying water sampling localities and water sampling points

- engaging a consultant to develop a database to store the water quality data submitted to the Department under the Regulations
- defining the reporting requirements for the monthly data reports submitted by water suppliers.

## Communication

The Department undertook a range of communication activities during the reporting period, including:

- the maintenance of a dedicated website on drinking water, where water businesses, stakeholders, and the general public can access information related to the regulatory framework and drinking water generally
- the publication of newsletters
- the publication of guidance materials to support the implementation of the regulatory framework.

The practice of assigning departmental contact officers from within the Drinking Water Regulatory Section to each water business was continued during the reporting period. This arrangement allowed the officers to develop a detailed knowledge of individual water businesses and establish productive and ongoing relationships with relevant staff members within these businesses.

The Department also hosted a half-day seminar for stakeholders that covered information on the measurement of uncertainty for analytical results, as well as a presentation from the Deputy Chief Executive Officer of the Cooperative Research Centre (CRC) for Water Quality and Treatment on the research activities undertaken by the CRC. Feedback from attendees indicated there was a high level of support for the Department

running more drinking water-related seminars.

More information on these communication activities can be found on the Department's drinking water website: [www.health.vic.gov.au/environment/water/drinking](http://www.health.vic.gov.au/environment/water/drinking).

### Undertakings

During the 2005–06 reporting period, the Department accepted 35 undertakings from water businesses to address issues of non-compliance with either the Act or Regulations. The undertakings accepted during the reporting period are summarised in Appendix E.

Of these 35 undertakings all but five related to non-compliance with a water quality standard or other health-related water quality parameters.

Four undertakings related to water businesses failing to have risk management plans in place prior to 1 July 2005 (one from Portland Coast Water, now part of Wannon Water, two from Parks Victoria, and one from the Mount Buller and Mount Stirling Alpine Resort Management Board for Mount Stirling).

In the case of Portland Coast Water, Wannon Water (who replaced Portland Coast Water on 1 July 2005) put the risk management plans in place by 31 March 2006. The Parks Victoria risk management plans were put in place by 30 June 2006.

The Mount Buller and Mount Stirling Alpine Resort Management Board decided the water supply on Mount Stirling would be a drinking water supply in late 2005, after the date by which the risk management plans were to be in place. An application to extend the due

date to 1 September 2006 was agreed to by the Department, as the Board was able to demonstrate they had suitable interim risk management strategies in place.

One undertaking related to Yarra Valley Water collecting water quality samples at less than the required frequency. Yarra Valley Water brought the issue to the attention of the Department and took proactive measures to rectify the problem. The undertaking was completed satisfactorily by 30 June 2006.

### Regulated water

The Department has been working with water businesses to identify supplies of water that should be declared regulated water. During the reporting period the Minister for Health made three regulated water declarations. These were:

- for water supplied by Lake Mountain Alpine Resort Management Board to the Lake Mountain alpine resort (*Government Gazette* 23 October 2005)
- for water supplied by Coliban Water to the townships of Borung, Dingee, Jarklin, Macorna, Mitiamo, Mysia, Sebastian and Wychitella (*Government Gazette* 2 January 2006)
- for water supplied by Central Highland Water to the townships of Landsborough and Navarre (*Government Gazette* 26 June 2006).

After the declarations were made, the relevant water businesses began preparing the required risk management plans for the supply of regulated water.

Further declarations are expected to occur within the next reporting period

for water supplied by Central Highlands Water, Goulburn Valley Water, Grampians Wimmera Mallee Water (GMMWater), Lower Murray Water and Wannon Water.

### Information and data management

During the reporting period work continued on the development of a database to store water quality data collected under the Regulations. As at 30 June 2006 the database was still in pre-testing. It is expected to be operational in early 2007.

### Risk management plans

By the end of the 2005–06 reporting period all water businesses had risk management plans in place for their drinking water supplies, with the exception of the plan for Mount Stirling. The Mount Stirling plan was finalised on 1 September 2006. The plans will be assessed by the audit process described below.

### Risk management plan audits

During the reporting period work commenced on establishing the administrative processes that will support the audit process.

To assist the auditing process the Department has been developing the approval process for risk management plan auditors. To ensure that the audits are conducted by competent individuals, the Department, in collaboration with the Water Services Association of Australia (WSAA) and the Victorian Water Industry Association (VicWater), engaged RABQSA International, a Personnel and Training Certification organisation, to develop an auditor certification scheme for drinking water quality management systems.

The scheme will have applicability for drinking water suppliers Australia-wide, and will also support the Drinking Water Quality Regulatory Framework in Victoria.

The Department, WSAA and VicWater currently form the Scheme Committee for this auditor scheme. The Scheme Committee's role is to oversee any changes or updates to the scheme, however the scheme itself is administered by RABQSA, and is independent of the Department.

The scheme is a competency-based certification scheme, with the key competencies being knowledge of auditing theory and process, demonstrated practical skill at conducting audits, and a detailed understanding of the Framework for the Management of Drinking Water Quality, which forms part of the *Australian Drinking Water Guidelines* (2004).

The scheme is anticipated to be open to potential auditors in early 2007. Provided that a sufficient pool of suitably qualified auditors is available, risk management plan audits are expected to commence in mid-2007.

### Water analysts

To ensure there is a high level of confidence in the water quality results obtained from regulatory samples, the Regulations provide for the Secretary to the Department to approve analysts.

During the reporting period the Department, with the assistance of the National Association of Testing Authorities (NATA), developed an analyst approval process. The relevant guidance note on the approval process is on the Department's drinking water website.

By the end of the reporting period, 80 water analysts had been approved, covering all the parameters listed in Schedule 2 of the Regulations. The list of currently approved analysts is also on the Department's drinking water website.

### Water sampling localities and water sampling points

The Regulations allow for the specification of water sampling localities and water sampling points. Water sampling localities are areas of similar water quality. These areas may be defined by water treatment process, system hydraulics or any other factor that has the ability to influence the quality of drinking water received by the customer. In regional Victoria, most water sampling localities will equate to the water supply for a town.

Within each water sampling locality a certain number of water sampling points will be specified. The number of points specified will be determined largely by the permanent population within the water sampling locality. Once the points are specified, samples collected under the Regulations to measure compliance will only be permitted to be collected from the specified water sampling points. This will provide consistency of data over time.

During the reporting period, the Department developed a process document for the specification of water sampling localities and water sampling points. The document is available on the Department's drinking water website.

Using the criteria detailed in the process document, the Department has been working with water businesses to specify the boundaries of each identified water sampling locality.

By 30 June 2006, water sampling localities for the following water suppliers had been specified and gazetted:

- Barwon Water (*Special Government Gazette* s157 16 June 2006)
- Mount Baw Baw, Mount Hotham, Falls Creek, and Mount Buller and Mount Stirling alpine resorts (*Special Government Gazette* s158 16 June 2006)
- East Gippsland Water (*Special Government Gazette* s160 22 June 2006)
- Parks Victoria (*Special Government Gazette* s161 22 June 2006).

The gazetted localities commenced on 1 July 2006. It is anticipated that the balance of water sampling localities will be specified in early 2007.

The specification of water sampling points should be completed by the end of the 2006–07 reporting period.

### Fluoridation

Fluoride is added to some water supplies for oral protection purposes under the *Health (Fluoridation) Act 1973*. During the reporting period the water locality of Robinvale (Lower Murray Water) began to have fluoride added to the drinking water supplied to it. The fluoridation of the Robinvale water locality was initiated by a local community group.

In addition, the Secretary to the Department of Human Services requested that the localities of Wangaratta, Wodonga (North East Water), Warragul, Morwell, Moe, Sale, Traralgon (Gippsland Water) and Horsham (GWMWater) be fluoridated as provided under the *Health (Fluoridation) Act 1973*. Fluoridation was scheduled to

commence in each of these localities prior to December 2006.

### Expenditure under the Act

For the 2005–06 financial year, the Department set the administration levy, payable under section 51 of the *Safe Drinking Water Act 2003*, and estimated receipts of \$933,000. Actual receipts in 2005–06 of \$954,263 were paid into Consolidated Revenue, as required under the Act. To cover the administration of the Act for the reporting period, \$1,023,000 was appropriated to the Department and these funds were expended as per the table below.

The Department administers but does not control certain resources on behalf of the Victorian Government. It is accountable for the transactions involving those administered resources, but does not have the discretion to use the resources for achievement of other departmental objectives. Transactions and balances relating to these administered resources are not recognised as departmental revenues, expenses, assets or liabilities, but are disclosed in the applicable output schedules of the Department's annual report.

Expenditure was below expectations because of delays with the implementation of the water quality database and delays in the gazettal of the water sampling localities. The expenditure also does not include any costs associated with the Department providing a 24-hour emergency pager service.

#### 2005-2006 expenditure under Safe Drinking Water Act

	Actuals (\$)		
	2005-06	2004-05	Variance
Salaries, allowances and salary-related oncosts	452,558	369,263	83,295
Indirect costs	105,446	86,117	19,329
Operating costs	82,434	52,737	29,697
Communication and education	19,538	6,050	13,488
Research and development	95,349	45,833	49,516
IT development	59,964	0	59,964
<b>Total expenses</b>	<b>815,289</b>	<b>560,000</b>	<b>255,289</b>