



CRC for
Water Sensitive Cities



Program A: Society | Project A3.1 | Project duration: July 2012 - June 2016

Better governance for complex decision-making

Overview

Commercialisation of public utilities, the rise of integrated water management, the emergence of national policy frameworks, and extended drought and major flood events have driven significant shifts in urban water management, policy and governance in the last 20 years. With these developments has come an increased awareness that governance arrangements can sometimes act as substantial obstacles to improving water policy and management outcomes.

Water governance in a water sensitive city (WSC) will require the integrated management of water sources and services to deliver both efficient and effective multi-functional water solutions. Future arrangements will also require responsiveness and flexibility to meet evolving needs and uses of water, and to cope with unpredictable environmental conditions.

This project aims to examine current institutional challenges to better enable the sustainable water management of a WSC. The project explores how the complex decision-making processes involved might be supported through more adaptive governance arrangements, identifying where and how current centrally controlled governance systems can be supplemented with more flexible governance instruments.

Key outcomes

The project will produce a set of governance guidelines and tools that help practitioners develop strategies to address governance barriers in specific contexts. This project will achieve this by:

- assessing the current mix of hierarchical, market- and network-based frameworks at all levels of government in Australia for addressing WSC issues
- assessing the international range of models for governance associated with complex issues
- assessing best practice approaches for the use of expert knowledge in evidence-based innovation and strategy development, together with the organisational requirements (skills, resources, processes) for evidence-based development of WSC strategies
- developing new models for effective partnerships and networks for knowledge development and capacity building
- identifying best practice governance models for local and regional scales.

Key findings on urban water governance challenges

In December 2013 the report *Specifying the urban water governance challenge* was released, reviewing major shifts in Australian water policy over the last 20 years. Based on a desktop review and on discussion with industry practitioners, the report identified a list of governance challenges hindering transition toward the integrated and adaptable water management models which underpin a WSC.

A key lesson which emerged was the importance of collaboration to build the partnerships and the trust needed to resolve water management integration issues as well as to navigate complex and unclear decision-making arrangements. Three common features underpinned the resolution of many governance challenges, namely:

- encouraging innovation - strengthening incentives (and weakening sanctions) for developing new ideas into alternative solutions, and encouraging the organisational change and leadership needed to facilitate the take-up of these innovations through policy and practice change

- building policy capacity - diversifying skills and designing tools more suited to policy work on complex issues, such as holistic options assessment methods, criteria for making trade-off decisions, protocols that can balance risks and benefits and apportion risk appropriately, guidance on which mix of policy instruments can deliver the desired outcomes, and strategies for selling policy change to key decision-makers
- enhancing collaboration - undertaking stakeholder and citizen engagement in various aspects of water governance and management, guidance for designing participatory processes for different engagement purposes, and developing the workforce skills and provision of resources to incorporate collaboration into everyday practice.

Subsequent research activities will develop relevant governance solutions by using the above three features as focal points for identifying the governance instruments that have proved successful in cases of policy innovation.





Project design

A range of cases of policy innovation from a variety of jurisdictions and levels in Australia, as well as from international examples, will be studied to reveal the structural mechanisms, good practices and policy processes that can overcome current institutional barriers and provide more adaptive governance mechanisms. For example, cases where technological innovation has influenced policy and regulatory change may reveal how future solutions can be scaled up as a timely response to new needs or changed conditions. In cases where policy implementation has been conducted across different departments at different government levels, strategies for collaboration in multi-stakeholder, multi-level environments might be found.

The results of these studies will provide the tools and structures for building more flexible models of governance, as well as the strategies and contextual considerations for operationalising these governance instruments.



Outlook

By June 2015, best practice approaches and process models for governing complex policy issues will be distilled from water and policy governance literature and from a number of national and international case studies. The latter phases of the project will apply and refine the findings through practitioner workshops in order to specify the governance arrangements, tools and capacities the Australian urban water sector needs to transition towards WSC. The envisaged outputs of the project will include:

- a set of best practice principles of governance in a WSC
- a compendium of structures, strategies and tools which can be used to operationalise these principles
- guidance on how these governance instruments are best utilised for different political contexts and government scales
- process models and tools that can be used to improve evidence-based decision-making in policy development.



About the Cooperative Research Centre for Water Sensitive Cities

The Cooperative Research Centre for Water Sensitive Cities (CRCWSC) brings together inter-disciplinary research expertise and thought-leadership from Australia and the world to address current urban water management challenges facing our cities and regions. In collaboration with over 80 research, government and industry partners, it develops and synthesises knowledge into powerful tools and influences key players aiming to achieve sustainable, resilient and liveable water sensitive cities.

Further information

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