

THE STRATEGIC IMPORTANCE OF IRRIGATION CUSTOMER SERVICE COMMITTEES IN POLICY IMPLEMENTATION

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ABSTRACT

How do irrigation communities adapt and respond to issues concerning water resources in times of significant uncertainty and change in water policy? Irrigation customer service committees were originally introduced into the water management framework of Victoria to provide advice to water corporations and to represent the needs of irrigation communities. In times of change, customer service committees appear well placed as a valuable resource for the water sector: providing advice, a voice for the community, and contributing to greater transparency and accountability in water resource management. However, in such demanding times they can also be overburdened with work, have reduced opportunities for input due to the urgency of change, or be unrecognised for their strategic role in bringing irrigator knowledge and perspectives to policy implementation issues. This raises two key questions: first, what conditions support customer committees in fulfilling a strategic role in water resource management? Second, how can committees be nurtured and supported as a unique resource in irrigation communities? This paper reports on some early findings from documenting and observing the operation of two Victorian irrigation customer service committees in 2007, with a particular focus on their involvement in the introduction of channel automation technology. The results suggest that six key criteria are required for customer committees to perform their strategic role well. These are: effective internal operation; appropriate participation in decision making processes; effective feedback loops between stakeholders; broad committee member diversity; the committee earns its place as a central, negotiated decision making body with government; and, adherence to high quality protocols for effective committees. Where these criteria are supported, customer committees appear more able to play their part in water resource management.

1 THE STRATEGIC IMPORTANCE OF IRRIGATION CUSTOMER SERVICE COMMITTEES

In the complex domain of water resources management (WRM), adaptation to change by managers of regional irrigation systems has become a necessity for working towards the goal of sustainability. In responding to issues such as climate change and water scarcity, water resource managers can be well supported through engaging communities in participatory processes. Irrigation customer service committees, one type of community participation, have a strategic significance in WRM because they operate at the boundary between irrigators and the water system. They are a key interface of negotiated decision making between irrigators and government.

Ten years of sustained low inflows into water storages across the majority of Victoria has raised questions regarding the long-term security of water supplies across the State. The Victorian Government has reacted by announcing a number of major projects which seek to secure the water supply for rural and urban populations. These projects include a desalination plant, the Sugarloaf Pipeline, and the associated Food Bowl modernisation project of the irrigation systems of the Goulburn Murray Irrigation District (DSE 2007a; DSE 2007b; DSE 2008). An important component of the Food Bowl modernisation project is likely to be channel automation technology, which the Government has been trialling in several irrigation regions of Victoria for close to five years. Amongst other things, it is anticipated that the technology will assist in saving water in irrigation systems. Given their strategic location between stakeholders, the potential of customer committees to contribute to projects, such as channel automation rollout, is significant. They can assist water corporations – and represent irrigators – in decision making and policy advice. However, these committees must resolve the pressure coming from below (the irrigation community) and the pressure from above (water corporations and governments).

Irrigation customer committees sit in a strategically significant position between irrigators, water corporations and government. They provide the function of stakeholder participation in WRM, and can potentially offer indispensable support in complex and changing environments. Their role can range from helping reduce risks to the sustainability of natural resources, through to ensuring certain outcomes for individual customers. Their role is currently expanding in Victoria, with some committees being asked to provide detailed input and/or support to major works and significant changes to water allocation policy. For instance, in the implementation phases of the Food Bowl modernisation project, customer committees are anticipated to be a key forum for ongoing consultation with the Northern Victoria Infrastructure Renewal Project board, which is to oversee the project (Anon 2008). As their role changes, it is timely to ask two key questions: first, what conditions support customer committees in fulfilling a strategic role in water resource management? Second, how can committees be nurtured and supported as a unique resource in irrigation communities?

This paper reports on some early findings from documenting and observing the operation of two Victorian irrigation customer service committees in 2007, with a particular focus on their involvement in the introduction of channel automation technology. This research forms part of a larger study exploring how technological systems come to find their place in society, using channel automation, and in particular Total Channel Control™ technology, as a case study. Customer committees are relevant for this research because they are one of the critical sites of activity around the negotiated decision making processes that lead to the introduction and operation of channel automation technology.

This paper will first describe customer committees in the context of participation. The paper then looks at the historical purpose, role and place of customer committees as a form of stakeholder participation. Next it describes customer committees, their roles and activities, and how this is changing. Drawing on early research findings, the paper finally explores the conditions that contribute to high performance customer committees in the increasingly complex environment of WRM.

1.1 RESEARCH APPROACH

This paper reports on research conducted with two Victorian rural water corporation customer service committees. Data collection from attendance at meetings included notes and observations of interactions between the committees and corporations, as well as their negotiated decision making processes. The main focus was to observe the processes around the implementation of channel automation technology. The role taken during my attendance at committee meetings was that of a “complete observer” (Gold 1958 p. 221-222). This required unobtrusive observation with no input into committee proceedings. I was provided with access to some of the documentation supplied to the committees, and voice recordings were made during the meetings of one committee. An ethics agreement had been entered into between committee members, the water corporation, the University of Melbourne, supervisors and myself. For the data analysis process I have drawn on a grounded theory approach (Strauss and Corbin 1990).

1.2 STAKEHOLDER PARTICIPATION: THE PLACE OF THE IRRIGATION CUSTOMER COMMITTEE

Community participation in Victoria has risen in prominence within overall government policy goals since the inception of the Growing Victoria Together (GVT) policy in 2001 (Boxelaar, *et al.* 2006). An aspirational policy, GVT provides a broad outline for governmental relations with the community. In developing a “vibrant democracy” the government states that it is committed to “greater public participation and more accountable government” (DPC 2005 p. 19). The area of community involvement in governmental WRM policy is typically directed by departmental policies which are generally consistent with the overarching principles of GVT and the legislative framework for water, provided principally by the *Water Act* 1989.

In recent decades within political and critical theory, there has been an increasing recognition of the value of applying participatory approaches to policy and politics, particularly in natural resource management (Dovers 2001). Many organisations recognise civic participation as an important element in adapting to complex environments, yet a broad range of participatory approaches exist. Participation can be conceptualised within a spectrum, where low levels of participation exist at one end ranging through to high levels at the other end. Pretty and Shah (1997 p. 54) present a typology of participation which can be used to contextualise participation. They describe seven types of participation: first, manipulative participation, where participation is put on for show; second, passive participation, where participants are told what has been decided, and there are low levels of transparency; third, participation by consultation, where participants are questioned regarding projects, but no share in decision making is conceded to participants; fourth, participation for material incentives, where participants contribute resources such as their labour in return for incentives; fifth, functional participation, where participants form groups to achieve predetermined project objectives which have typically been made by external agents; sixth, interactive participation, where participants engage in joint analysis, planning and strengthening of local institutions. This type of participation involves drawing on diverse perspectives, skills and abilities, and utilises learning processes that are structured and systemic; and seventh, self-mobilisation, where participants take the initiative independently of external institutions, and have links with external institutions, utilising them for resources and technical advice, yet keep control of how resources are used. Self-mobilisation spreads where governments provide an enabling framework. While participation at the self-mobilisation end of the spectrum is often considered the most desirable form of participation, most other forms of participation have qualities which make them appropriate for particular situations and some forms of participation are more appropriate in certain situations than others.

Customer committees could operate in the third through to the sixth locations on the participation spectrum, while a high performance customer committee would typically operate at the sixth location on the participation spectrum. Examples of other forms of participation include the Landcare movement, which would encompass participation types four through to seven, while the public

participation strategies outlined in the Victorian Government's Northern Region Sustainable Water Strategy (see DSE 2008) cover the third type of participation, namely consultation.

1.3 DESCRIPTION OF THE CUSTOMER COMMITTEE: PURPOSE, ROLE, MEMBERSHIP, AND ACTIVITY

The principles of community participation for Victorian water corporations are found within the Victorian *Water Act* 1989. A key purpose of the Act is to "maximise community involvement in the making and implementation of arrangements relating to the use, conservation or management of water resources" (*Water Act* 1989 p. 1). The Act includes this as a part of its sustainable management principles for water corporations. In performing their functions, water corporations are expected, amongst other roles and responsibilities, to facilitate and encourage community involvement. In light of this principle, Section 122C(1)(a) of the *Water Act* 1989 provides the board of directors of a water corporation the authority to establish committees to advise on matters referred by the board. Also, based on these principles, the Victorian Government Department of Sustainability and Environment has developed a normative statement of best practice for customer committees. It contains six principles for the formation and operation of committees. They are: appropriate participation; transparency; effectiveness and efficiency; documentation; accountabilities; performance monitoring and evaluation (DSE 2005).

Customer committees typically have two functions: First, to be representative of customer views and assist the water corporation understand irrigator needs. Second, to advise and assist the water corporation in the following areas: service provision; the balance between service level and price; scrutiny of services and costs; customer communication; development of management plans for assets, water resources, and business strategies; identifying contentious policies; developing policy and procedure; and resolving water management issues (G-MW 2007). While customer committees have the capacity to advise and assist, the actual power for decision making is held by the board of the water corporation. However, given irrigators are the key group through which policy is implemented, it is easy to see that committees could play a key role in improving the ability of a water corporation to adapt to change.

Observation of customer committees showed that members engaged in a wide range of activities as a part of their role. Monthly meetings ran for approximately four hours and preparation time was important for members to make valuable contributions. Water corporations encouraged members to take roles on sub-committees coordinated by other WRM organisations, so as to represent the irrigation district. Interaction with other irrigators was also expected. Customer committees had a range of available options for communicating with irrigators. These included: an irrigation district newsletter for irrigators published by the water corporation; press releases; one-to-one communication; and membership through other organisations. Members received a session fee for each meeting. Irrigator elections were the typical means of membership to customer committees. Committees consisted of eight to ten members, one of whom was nominated by members as the Chairperson. Eligibility to committee membership was open to irrigators who live in the district covered by the committee and who own water deliver shares.

1.4 THE CHANGING ROLE OF CUSTOMER COMMITTEES

The role of customer committees has been enshrined in legislation. They are the legitimate institution for consultation between irrigators and government. They have a formal role of providing advice through resolutions to water corporations (see the *Water Act* 1989). The historical context surrounding the establishment of customer committees was typified by scenarios of relatively stable policy frameworks, high water entitlements, localised to catchment wide environmental concerns, and frequently 'business as usual' (Smith 2003). However, the scope of committees has been broadening. A repercussion of increasing complexity in WRM, and the necessity to adapt to a rapidly changing

environment (both biophysical and institutional), has resulted in a more complex role for committee members. Increasing demands are placed on committee members. For instance, while members are expected to fulfil traditional roles, more recently this has broadened to include advice on the implementation of major projects, and with governmental reforms members are asked to work through subject matter like unbundling, interstate trade, channel automation, environmental reserves and the requirements of the Essential Services Commission. Further, other pressures such as political activism, reduced allocations, drought contingency measures, and climate change are forming part of a committee's 'brief'. Taking channel automation as an example, its introduction has allowed for the development of new models of water allocation, which in effect leads to more complex forms of WRM. On the farm, members have a range of issues to manage as well as repeatedly operating in drought induced survival mode. Committee members have reported that their morale and confidence have been knocked around by drought conditions and that an enormous amount of energy has been required to remain focused not only on their farms but also in terms of their input to the committee.

2 RESEARCH FINDINGS: THE CONDITIONS THAT SUPPORT THE STRATEGIC ROLE OF IRRIGATION CUSTOMER COMMITTEES

High performance customer committees are able to effect negotiated decision making in a high pressure setting. That is, they are able to operate constructively at the interface between farmers and policy. Observation of the two committees revealed that there were critical factors which influenced their capacity to operate as high performance committees. Six criteria have been identified thus far in this research. These can contribute to a framework for water corporations and governments to effectively support customer committees in 'playing their part' to contribute to adaptation in WRM.

1. Effective internal operation

Internally, a strategically effective committee requires members to have unconditional access to relevant information, explicit recognition of the multiple goals of members and robust ways to address conflict. The need for honesty and transparency from the water corporation in the provision of information is critical for committees to provide the best advice possible. Without full access to information, the committee runs the risk of giving poor advice. For the committee the implications of this are significant, for instance, a water corporation may not seek advice from a committee that is seen to 'get things wrong', so committees must be fully informed to avoid a potentially negative self-perpetuating cycle. Committee members, however, also need to be transparent about their own interests and 'agenda' so others can be aware of what may sit behind a position that is being negotiated for. Conflict is inevitable amongst diverse committee members, but if committees are provided with tools that can support robust conflict handling strategies, they are less likely to suffer from becoming bogged down in the issues of conflict management that can diminish member energy. A committee that has effective internal operations can present its resolutions to other stakeholders in the water system with confidence in the integrity of the committee's internal decision making processes.

2. Appropriate participation in decision making processes

Committees that are empowered by their organisations to actively engage in the decision making process, within the boundaries of due diligence and governance arrangements, seem to increase the responsiveness of a water corporation to both irrigator and policy needs. One example of engagement in the decision making process was where the support of the customer committee was sought from another customer committee for the supply of water for drought relief. The support of this committee was sought because it had the capacity to strongly influence the acceptance or rejection of the proposal. The committee made a resolution to support the proposal, but placed recommended conditions around the use of the water. The board and water corporation facilitated the process, acting impartially as an information conduit between the committees, although the final decision making power sat with the board. This example demonstrated how a water corporation can be more responsive to stakeholder needs through encouraging appropriate participation in the decision making

process, in which decisions are negotiated with stakeholders, yet ensures the board does not concede its authority. While customer committees were formed with an understanding that their powers are only for resolutions, from the perspective of the committee, this is a critical form of involvement in the decision making process. The implication of the customer committee's resolutions not being acted upon or even not having an opportunity to make resolutions, can be one of disempowerment from the perspective of the committee. Without empowerment, committees are likely to become disengaged, with a sense of disillusionment and low morale. The impact of this extends beyond the committee to erode the committee's legitimacy in the eyes of other stakeholders.

3. Effective feedback loops between stakeholders

How the committee represents itself externally is important for the strategic role of the committee. For the committee to carry out the function of communicating its position on issues with stakeholders it needs appropriate resourcing, which will enable it to engage actively with other customer committees, the water corporation, irrigators, and other key stakeholders. For instance, the capacity to engage in the public debate around the issues of the day assists a committee to maintain its legitimacy as a key consultative group between irrigators and government. In doing so they reduce the likelihood of irrigators, dissatisfied with customer committee performance, forming alternative grassroots organisations to lobby decision makers. This occurrence can be detrimental to the strategic role of customer committees. This is because the committee can become superseded by lobby groups who initially bring issues to the fore through media exposure, assume authority over issues in the public debate, and eventually claim the attention of governmental decision makers. However, where customer committees have good feedback loops, strong leadership and are seen to be able to carry out their role effectively, these external organisations are less of a threat. The committee will ensure, for example, that it is the first place for external groups to bring their proposals. It appears that there must, however, be consistency between the water corporation and committee in ensuring that the customer committee is the appropriate channel for lobby groups or others who are trying to influence decisions that come under the committee's brief. High performance committees exhibit strong connections with the irrigation community. They are easily contacted and sympathetic to the needs of irrigators. The transparency in overall decision making processes avoids problems such as the emergence of hearsay knowledge, which has the capacity of damaging not only the credibility of the committee, but also the constituted decision making process.

4. Drawing on committee member diversity

High performance committees embrace broad representation and diversity in stakeholder interests, and this is reflected in membership. By drawing on this diversity committees are well positioned to debate the best use of water in the region. Diversity reduces the risk of poorly negotiated outcomes which lack broad stakeholder agreement and from which future conflict over resource allocation can emerge. With diversity brings the need for committees to have robust processes for negotiation and for finding compromise between all members. The water corporation has very little influence in membership because this is controlled by irrigators, however the corporation can support diversity by promoting the value of committee members taking on membership in a range of other organisations, such as the Victorian Farmers Federation, United Dairy Farmers of Victoria, or young farmers groups.

5. Committee earns its place as a central, negotiated decision making body with government

Committees that operate effectively internally, that participate in negotiated decision making, have effective feedback loops, and are seen to be broadly representative of stakeholder interests, are more likely to be recognised as a key location for advice. A difference between having and not having customer committees is that far more considered decisions can be made around water resources as a result of committee input. In developing strong relationships with a committee, the government taps into a system of participation originally created by government for consultation, which has the effect of giving greater credence to decisions, particularly if they are seen to have been thoroughly negotiated through a robust process, and which have drawn upon the concerns of a diverse range of stakeholders. On the flip side, to make decisions without customer committee input leads to disempowerment and dysfunction of the committee structure and its underlying processes. Where government does not meet with the customer committee for regular discussion on important issues,

such as regional water planning, other lobby groups will come in over the top of the committee and a situation will develop where the lobby group will know more of what is occurring, and have more influence in decision making than the committee.

6. Adherence to high quality protocols for effective committees

Strong leadership is an important characteristic of high performance committees. It is necessary for effective internal and external committee operation. Strong leadership ensures meeting protocol is strictly adhered to and that the diversity of opinions present at committee meetings are aired. Leadership is also critical in ensuring the committee maintains its position as the legitimate irrigator constituted body for negotiating decisions with water corporations. This requires ongoing negotiation with senior management of the water corporation to ensure they respect the role of the committee. For instance, lobby groups are directed by management to take the appropriate channels to decision makers, for instance, where appropriate management would send lobby groups through the customer committee before going to the board. Another important protocol of high performance committees that has emerged in this research includes agendas with regular items based around the key issues influencing irrigation districts. Regular items include national and state issues as well as regional and local issues; these encompass issues including unbundling, modernisation, and automation. Recognition and observance of the timelines of committees is also necessary for a high performance committee to function effectively. Where decision makers external to the committee learn of the committee processes and timelines they become more sympathetic to the constraints that committees operate under, for instance that committee's meet on an infrequent basis (i.e. monthly) relative to the timelines groups pressing for decisions may be operating under. Respecting the timelines of the committee from the conception of major projects is an imperative. Failure to adhere to this reduces the capacity of the committee to make meaningful contributions to projects, which can undermine the legitimacy of the consultative process and culminate in the breakdown of an essential part of the democratic process.

3 CONCLUSION

Irrigation customer service committees were established by government to encourage community participation in WRM. They are a key interface between irrigators, water corporations and the government. Functional, high performance committees are advantageous in times of uncertainty, change, and complexity. During this research it has appeared that the role of committees has expanded beyond the traditional boundaries of operation due to the degree of change and inherent complexity in the contemporary domain of water management. In this research, it appeared that for irrigation customer committees to operate effectively as a key interface between irrigators and government, six criteria need to be satisfied. These are: effective internal operation; appropriate participation in decision making processes; effective feedback loops between stakeholders; broad committee member diversity; the committee earns its place as a central, negotiated decision making body with government; and, adherence to high quality protocols for effective committees. By having support around these criteria the committee will be enabled to play its part as a strategically significant component of the WRM framework.

In the first instance, it seems apt for these criteria to be negotiated between irrigators and water corporations, and that the boundaries of responsibility are also agreed upon within the committee arena, with continuing renegotiation to ensure all parties are satisfied with them and aware of where responsibility starts and stops. For instance, with reference to criterion two, agreement is necessary as to what is appropriate and inappropriate participation in decision making, and where the boundaries of due diligence lie. Moreover, the greatest benefits will accrue by supporting all the criteria, because if one or more of these is neglected it is likely to be detrimental to committee processes, potentially to the point of impairing the functioning of the committee. It is up to government, water corporations and customer committees to settle on an appropriate form of participation, be it passive, interactive, or somewhere in between, and that it is sufficiently flexible for the needs of the key stakeholders.

What was particularly striking in this research was that the committee system and its internal and external processes are a part of a larger governance process that has been enacted so Victoria can better manage its water resources in a sustainable manner. Critically, it appears that to maintain the integrity of a small, but important, part of the governance system for irrigation, it is necessary to honour the due processes of the customer committee system. These processes, particularly in relation to channel automation, will be further followed and evaluated in the course of this research.

High performance customer service committees can be considered a valuable part of a functional 'water system'; a strategic link in the chain of the water management support system. Engaging and supporting customer committees as a routine part of the business of WRM improves their proficiency. With the scale of new projects in the irrigation regions of Victoria, it would seem an imperative that government nurtures committees to operate as 'high performance' committees. This can be done by supporting criteria such as those presented in this paper, and in doing so may help in the move towards sustainable management of water resources where all stakeholders can "share the water, and share the benefits".

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