# Sustainable Funding for Stormwater Management

Stormwater NSW is committed to providing industry leadership on best practice stormwater management. This statement sets out Stormwater NSW’s position on opportunities for policy reform and improved sustainable funding for stormwater management in NSW.

This position statement has been developed and endorsed by the management committee of Stormwater NSW. It represents the views of Stormwater NSW members and the broader industry, to promote effective stormwater management across NSW. There is growing recognition that better stormwater management has multiple benefits in terms of enhancing liveability and our resilience against the hazards of an increasingly uncertain climate. For example, the Greater Sydney Commission (GSC) *Greater Sydney Region Plan 2018: A Metropolis of Three Cities*, specifically highlights the importance of stormwater in a connected blue-green grid and its role in enhancing urban amenity by improving waterway health, keeping urban spaces cool, improving urban aesthetics, protecting biodiversity, manage flooding, and helping to ensure water supply security into the future (Objectives 26, 27, 32, 34 and 36).

Yet NSW does not currently have any clearly recognised policy position or statement on stormwater management. This is despite the aforementioned benefits being sought by the GSC’s Regional Plan and the Marine Estate Management Authority identifying urban stormwater discharge as the key threat to the environmental health of our waterways (NSW Marine Estate Management Strategy 2018-28 Pages 20 and 21.

**BACKGROUND**

In the urban landscape stormwater scours channels, erodes banks, disrupts ecological processes and conveys pollutants like plastics, litter and nutrients to our waterways and oceans. The scale and value of stormwater assets in NSW is comparable to the scale of sewerage and water assets.

Responsibility for stormwater management is shared in NSW between State Government, Sydney Water Corporation, local government and private owners. Funding for stormwater management is provided through a variety of mechanisms including:

* Sydney Water - through regular pricing submissions to IPART for its stormwater asset management. Currently $24.36p.a for units and $77.84 for a house (2019).
* Local government –
  + may levy a stormwater management service charge ($12.50 for strata and $25/rateable property p.a) or
  + may seek a special rate variation (which excludes the ability to levy the service charge)
  + Council general revenue,
  + Developer contributions and special development levies.
* Private development.

The stormwater management service charge was first established in 2005 and has not increased (this includes no adjustments for CPI[[1]](#footnote-1)). Our member Councils have identified that they have insufficient funding to maintain stormwater infrastructure to the required standard, and anecdotal evidence and an increasing number of published sources indicate that stormwater infrastructure is suffering from chronic insufficient maintenance.

**POSITION STATEMENT**

# State Government Policy

The NSW Government should establish a policy that mandates the sustainable management of stormwater. Healthy waterways support a healthy environment, society and economy, including more liveable cities and strong, resilient communities. That policy should incorporate means to administer the implementation of the policy. The policy would be tied to the Diffuse Source Water Pollution Policy considering the Risk-based Framework for Considering Waterway Health Outcomes in Strategic Land-use Planning Decisions and protect the health of waterways and their associated economic, aesthetic, ecological, and cultural values from the cumulative impacts of urban development.

# Stormwater Management Service Charge

The NSW Government should update the legislation, Local Government (General) Regulation 2005 Section 125AA regarding the maximum annual charge for stormwater management services. This charge has not been reviewed since the legislation was enacted and as such no longer covers the cost of providing stormwater management services, as directed by the legislation.

Our position is that it should

1. all Councils should levy the SMSC
2. it should align with the Sydney Water Corporation stormwater charge approved by IPART for July 2020, $81 a year for a house, and $25 a year for an apartment in 2020–21. This should have annual CPI increase.

<https://www.ipart.nsw.gov.au/files/sharedassets/website/shared-files/pricing-reviews-water-services-metro-water-prices-for-sydney-water-corporation-from-1-july-2020/legislative-requirements-prices-for-sydney-water-corporation-from-1-july-2020/sydney-water-updated-pricing-proposal-12-november-2019.pdf>

Administrative processes should be reinstated to ensure all funds collected for stormwater management are reported by Councils in their Annual Reports. We would like to work with the Office of Local Government to update the Stormwater Management Service Charge Guidelines to ensure that this guideline reflects the funding needs of local government. It is important that the guidelines consider funding of stormwater asset operation and maintenance, provision for permanent specialist staff, and a greater variety of new stormwater infrastructure.

For Councils that are also water utilities, stormwater should be integrated into the water and waste water services they supply, this would facilitate integrated water management. Consistent with standard asset management practice, agreed service levels should be developed with stormwater customers and set charges to ensure the services are able to be sustainably and efficiently delivered.

**Specific consideration for the Guidelines includes ensuring waterway protection assets are functional**

1. Ensuring the details of asset(s) are known (i.e. location, type, specifications), with this information readily available to asset managers and regulatory authorities.
2. Ensuring appropriate resources (e.g. equipment, funding, staff) are available to satisfy the inspection and maintenance requirements of assets.
3. Ensuring that personnel undertaking inspection and maintenance activities are suitably qualified and trained.
4. Ensuring that assets are inspected at appropriate frequencies to evaluate their condition, function, and risk of failure using the approach for performance evaluation and asset
5. Ensuring assets are appropriately maintained in accordance with the Stormwater NSW Operation and Maintenance Manual or asset operation and maintenance procedures /specifications.
6. Ensuring that records of inspection and maintenance activities are appropriately collated for the purposes of analysing and using data to answer important operation and maintenance questions.
7. Local government should ensure that privately owned stormwater assets are appropriately inspected and maintained, in accordance with development approval conditions. An audit should be undertaken on a regular basis (at least annually) with follow up inspections for non-compliant assets.

1. Consumer Price Index [↑](#footnote-ref-1)