

IWM Financing and Funding

Webinar 1: *Alternative funding to deliver resilient and sustainable water infrastructure for thriving communities*

Definitions

A couple of key definitions to make sure we share a common understanding.

Financing: is how you pay for an investment up front.

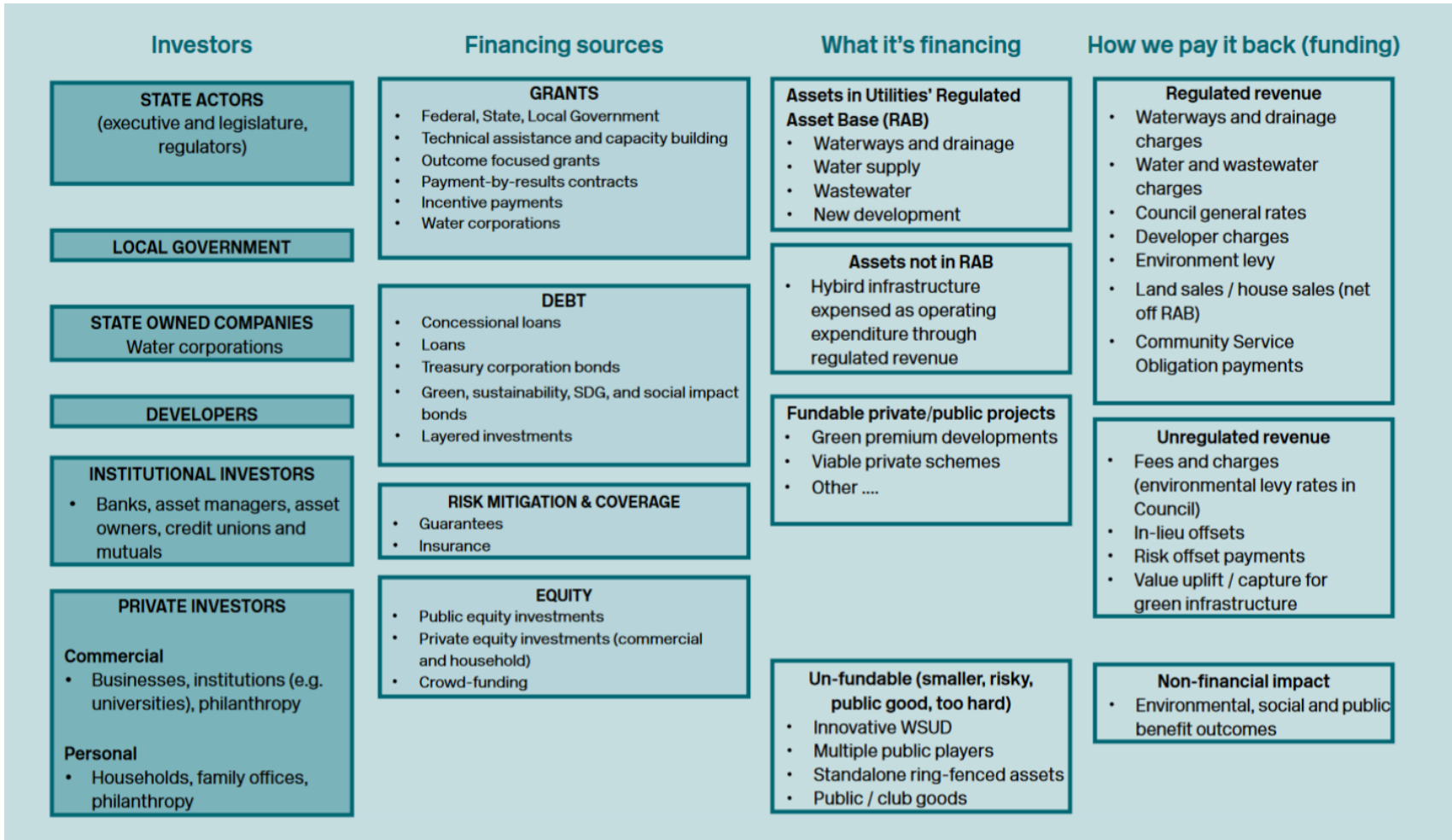
For example, if we don't have funds to pay for a house up front, we arrange financing via a mortgage.

Funding: is how we ultimately pay for an investment.

For example, I pay back my mortgage (and its interest) with my future income.

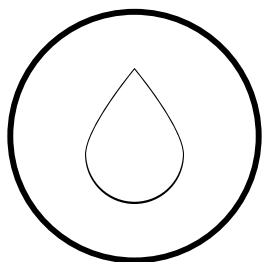
Integrated water management (IWM) is an investment approach that brings together all elements of the water cycle including sewage management, water supply, stormwater management and water treatment, considering environmental, economic and social benefits.

IWM financing and funding landscape

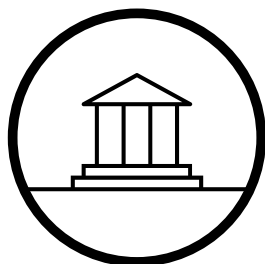


IWM financing and funding is happening at scale

Beyond State government funding / grants, opportunity to focus on what works well, and how we could extend the financing and funding pathways that are already working well across Australia .

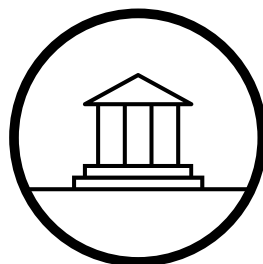


~ \$400+ million for liveability investments in last price subs including stormwater related

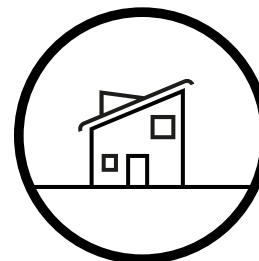


~ \$9 billion+ in Council rates, stormwater management (flooding, amenity other)

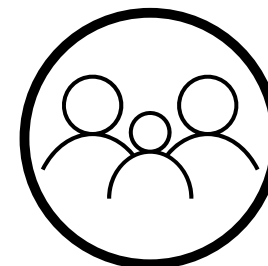
12+ Councils with stormwater offset schemes, forecast raising \$20+ million per year



The Victorian Government has provided **\$71 million** in funding for 178 priority IWM projects across the state since 2017 through IWM forums.



~ \$22 billion+ in new residential development in 2023, required to meet [VPP requirements for stormwater management](#)



~ ~ \$800 million+ a year in household investments (part of gardening and home maintenance)

What are the main barriers?

Some common barriers, others tied to investment type, who is investing, customer base.

- **Mandates:** unclear or incomplete
- **Measures:** lack or incomplete performance objective measures for urban amenity and enhanced environmental outcomes
- **Mis-alignment:** of financing and funding buckets, accountabilities, risk assignment
- **Complexity:** need for sustained cooperation across many agencies / actors
- **Capacity and capability:** to bring options to table and deliver on them
- **Prudence:** investments don't appear to 'stack up' – sometimes because full costs and benefits are not counted
- **Priority:** one of many priorities in the mix



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