



Improving Stormwater Management Ministerial Advisory Committee

Submission

June 2018

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The MAV is the statutory peak body for local government in Victoria. While this paper aims to broadly reflect the views of local government in Victoria, it does not purport to reflect the exact views of individual councils

The MAV would like to acknowledge the contribution of those who provided their comments and advice during this project.

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1 Executive summary

We welcome the establishment of the Improving Stormwater Advisory Committee to develop advice for the Ministers for Planning and Water about planning and development controls for improving stormwater management and strengthening the links between water management and urban planning. We appreciate the opportunity to comment on the recently released Issues Paper.

At the heart of stormwater management challenges is that the development choices at the individual level are increasingly resulting in less than optimal outcomes for communities and the livability of our urban centres. The emergence of water-sensitive urban design (WSUD) approaches to managing stormwater is also driving an urgent need for policy examination of the incentives and disincentives that need to be in place to ensure stormwater infrastructure is located where it can be most effective in meeting stormwater control objectives. The nature of development is changing, with more impervious surfaces generating more stormwater, and loss of private open space and green canopy.

Optimising stormwater management is in the collective interest of all parties (state and local government agencies, developers and landowners and communities) to augment the availability of water, minimise flooding risks for communities and to protect the environment. It is also vital to maintaining and improving the health of waterways where development has already occurred, and protecting areas likely to be developed in the future.

While the greater Melbourne metropolitan area is most at risk from acute urbanisation pressures in a changing climate, other urban centres in regional and rural areas are also seeking to have a greater suite of mechanisms and planning authorisations available to ensure legacies from current residential and commercial land-use development contribute to future needs.

In this regard, we would particularly welcome the Advisory Committee's recommendations for how the various links in the chain of stormwater management can be more holistically linked.

The comments in this submission are informed by the reform work we are undertaking through the Melbourne Urban Stormwater Institutional Arrangements (60 hectare) review project, and our recent consultations with councils in the development of our submission responding to the Draft SEPP Waters. We were also pleased to host a workshop for the Advisory Committee with planning and environment managers from a cross-section of councils to explore constraints and opportunities.

Given the short time available to provide feedback, this submission includes discussion of the following issues from a local government perspective:

- The need for a whole-of-systems stormwater framework which identifies the interactions and dependencies between public sector agencies (councils, water authorities, DELWP, Parks Victoria, VicRoads, EPA etc) and the role of the private sector (developers and landowners)
- Ongoing support for institutional arrangement reform to meet future needs
- The importance of sustainable funding sources for critical stormwater assets and services
- Consideration of opportunities to deliver greater consistency in the application of regulations to ease regulatory burden for developers and landowners
- Exploration of ways communities can play a bigger role in stormwater management
- Drafting suggestions for the proposed planning control documentation.

2 Introduction

The Municipal Association of Victoria is the peak representative and advocacy body for Victoria's 79 councils. The MAV was formed in 1879 and the *Municipal Association Act* 1907 appointed the MAV the official voice of local government in Victoria. Today, the MAV is a driving and influential force behind a strong and strategically positioned local government sector. Our role is to represent and advocate the interests of local government; raise the sector's profile; ensure its long-term security; facilitate effective networks; support councillors; provide policy and strategic advice; capacity building programs; and insurance services to local government.

Councils have multiple roles and interests in stormwater, including as a:

- *Local planning and road authority*
Councils issue permits which have to comply with the Victoria Planning Provisions (which reference the SEPP Waters of Victoria and the Best Practice Environmental Management for Urban Stormwater (BPEM)). These include Clauses 55.07 and 58.03-8 for new apartment developments. They also initiate and enforce local planning policies. For example, ten Melbourne metropolitan councils have Environmentally Sustainable Development (ESD) Local Planning Policies (LPPs) which include water efficiency objectives and requirements. A number of other councils also have planning scheme amendments with the Minister for Planning seeking approval for ESD LPPs. They are also a road authority under the Road Management Act 2004.
- *Infrastructure manager of public stormwater assets*
There are no prescribed responsibilities for councils to manage stormwater, however sections 198-201 of the Local Government Act 1989 provide authorizing powers for councils that manage public drainage within their municipal area. The 38 councils in the Melbourne Water service area take responsibility for drainage infrastructure related stormwater services according to a 60 ha catchment convention, which was established by the Melbourne Metropolitan Board of Works (MMBW) in 1927. The original resolution defined main drains, now regional drains, as any 'drain, creek or watercourse with an area greater than 150 acres [60.7 hectares], and greater than 800 feet [243.8 metres]' to be designed, constructed and managed by the MMBW (now Melbourne Water). Catchments below this measure were to be the responsibility of councils.

In areas outside the Melbourne Water region, councils provide public drainage in cities and towns, and also maintain the drainage required to protect the operation of the roads for which they are responsible. Rural water corporations, VicRoads and other agencies such as VicTrack, are also involved in developing and maintaining drainage infrastructure where these are required as part of their responsibilities for the assets they manage.

Collectively, Victorian councils manage approximately 35,000 kilometres of drainage pipes and 1.4 million storm water pits with estimated replacement costs being some \$11.4 billion.

- *Community advocate and public place manager*
Councils have a significant role in shaping their local communities and creating places that are safe and livable. They advocate on behalf of their communities for access to sources of water for use for recreation and tourism purposes for increased amenity and liveability of local areas. They also influence development and provide community infrastructure.

Melbourne Urban Stormwater Institutional Arrangements (60 hectare) (MUSIA) Review

Urban flooding is a significant issue with potential to increase in metropolitan Melbourne and urban areas across Victoria through more severe storm events and increased urbanisation resulting in more non-permeable surfaces to absorb and filter stormwater. Traditional approaches of moving water off the land and into waterways as quickly as possible are changing in favour of smaller distributed models aimed at keeping water on-site to better mitigate against floods, achieve improved water quality, social amenity and irrigation for green infrastructure. These emerging environmental approaches are requiring a re-think about the optimal institutional arrangements between infrastructure and services managed by Melbourne Water and councils in its service area.

As part of the implementation of Action 14a in the Victorian Floodplain Management Strategy, the Department of Environment, Land, Water and Planning (DELWP), has agreed arrangements with Melbourne Water and the MAV (on behalf of the 38 councils) to review the institutional arrangements governing the accountabilities for urban stormwater flood risk management for the Port Phillip and Westernport region. Action 18.1 in the Port Phillip and Westernport Flood Management Strategy also commits to continuing dialogue on the 60ha threshold approach to delineating accountabilities for flood and drainage infrastructure and flood management services once the stormwater is discharged from private properties.

In the letter provided to the CEOs of Melbourne Water and MAV, the following principles were agreed to underpin the MUSIA review:

- Social and environmental outcomes for floodplain management which are cost-effective to implement will be key criteria used to assess proposals through the review
- Input and agreement from local government and Melbourne Water is essential to the project's success
- MAV will represent the 38 affected councils in any negotiations that may be required
- Mutual respect for the values of partner organisations
- Transparency about the process and timelines for stakeholders to be provided
- Communication approaches will be agreed and then followed between parties
- There will be time for engagement with a diverse and complex local government sector
- If new responsibilities emerge for local government as a result of the review, the Victorian State Local Government Agreement will be utilised to reach agreement with councils.

Governance arrangements for the shared project have been agreed, and a steering committee and project working group have been meeting regularly over the last year to consider the issues and develop recommendations. The MAV has also been convening a local government working group.

A paper is currently being developed to share details of the discussions to-date more broadly within DELWP, Melbourne Water and the 38 councils.

3 Response to questions outlined in the Issues Paper

Issues Paper Topic 2: Other key issues and opportunities

The MAV would welcome the following issues be considered by the Advisory Committee in its recommendations to the Ministers for Planning and Water:

Need for a whole-of-system stormwater management framework

Currently the various aspects of stormwater management are managed in isolation of each other, whether it is flood mapping, the management of the traditional conveyance systems and emergency management aspects related to larger run-off volumes, or the smaller private lot-scale WSUD treatments. There are real opportunities to better link these aspects together and influence management practice where it can be most effective.

Development of a clear framework for stormwater being managed as a whole system with the roles and dependencies of the various agencies outlined, including the public sector (water authorities, Catchment Management Authorities, councils, VicRoads etc) and the private sector (developers and landowners) would assist achieving greater equity in the system and transparency of who pays for what. An articulated framework would also assist build community awareness about the role individual landowners need to play.

In this regard, the vision developed by the local government working group supporting the MUSIA project is for there to be holistic catchment based approaches to stormwater infrastructure management to support better performing stormwater management. This recognises that the current model of 79 autonomous organisations managing stormwater based on municipal boundaries needs to adjust to enable regulatory effort to align more successfully with where it can be most efficiently and effectively delivered.

We also note that stormwater infrastructure provision and its management has implications for emergency management and minimisation of flood-risks to property which also need to be referenced and acknowledged in a state-wide stormwater management framework.

Ongoing support for institutional arrangement reform to meet future needs

The collective impact of the nature of development, its rapid growth in response to exponential population and investment opportunities is challenging the current institutional arrangements for stormwater management. Add to this contemporary methods for stormwater being managed closer to its source, there is an emerging imbalance in what user charges are paying for and there being growing incentives for councils to avoid taking on new assets and maintenance costs that would achieve better outcomes for waterway health.

Although its imprimatur comes from the Victorian Floodplain Management Strategy, the delineation of responsibilities between Melbourne Water and the 38 councils in its service area provides an opportunity to establish new arrangements which meet the needs of the future. This work is ongoing and will take time, given the complexity of issues being discussed and the number of organisations involved. Coming at this time, however, the Advisory Committee has the opportunity to provide advice about the general direction that could underpin institutional arrangements, and articulate its support for the co-design process currently being utilised.

A key focus of the MUSIA project is how to achieve a coordinated and consistent approach to stormwater management between councils and other stormwater management agencies to:

- Improve operations planning to enable a more strategic approach to stormwater management across the catchment instead of the current situation arising from 38 autonomous council organisations focusing on their own priorities in their own way
- improve knowledge on drainage mapping and condition of assets to identify critical areas which require priority investment to minimize flooding risks for communities
- provide clarity about ownership of assets critical to stormwater management, where stormwater treatment needs to occur in the catchment, and how key assets will be maintained and funded.

These issues and the rationale for state and local government needing to consider changes to the institutional arrangements are currently being collated in a report that will enable broader discussions within local government about the issues, and within DELWP and Melbourne Water as well.

As it is likely that councils' responsibilities in stormwater management will be more prescribed once recommendations are developed through the MUSIA project, we recommend that continued partnership occurs between DELWP, Melbourne Water and MAV in the design and formulation of any new statutory requirements to ensure are practical and effective to enact. Stormwater management is a major area of activity for councils, and changes to their statutory obligation needs to be considered under the framework of the Victorian State Local Government Agreement.

There is also a need for any new statutory prescription to accommodate the needs of councils outside the Melbourne Water service area.

We note in this regard that the Local Government Bill 2018 currently before the Victorian Parliament does not include drainage authorisations, and that it is the Victorian Government's intention they be considered for incorporation into the Water Act in due course.

- The MAV strongly recommends that the Advisory Committee include its support for continuation of the MUSIA project to develop recommendations for the Victorian Government and for these to inform any statutory changes that may be recommended to prescribe councils' role in drainage and stormwater management.

Sustainable funding sources for critical stormwater assets and services

Since they first formed over a 150 years ago, metropolitan councils have always been involved in providing drainage services along with other public infrastructure which improved the sanitation, amenity and public safety of local areas, such as roads and public lighting, and allocated ratepayer funds for these purposes. As the main manager of stormwater, councils will be continuing to allocate ratepayer funds for this service.

The question arises, however, whether the current levels of funding councils are allocating are sufficient to meet future needs. Council budgets are under increasing pressure for higher standards for a greater number of services which their communities expect them to provide. This means that significant increases in council funding to meet higher requirements for stormwater management are going to be challenging to achieve. This is made even more difficult because stormwater infrastructure is largely invisible until it fails (such as when flooding occurs), and the sources of polluted stormwater entering waterways are diffuse.

While increases in the number of developments is delivering greater numbers of ratepayers who contribute to councils' funding base, councils also incur additional costs in providing services to these new households and businesses. The rates cap applies to the average rates per assessment and therefore does allow additional revenue from new property formation. However, the overall quantum of funds collected by councils is not based on property values – rather this measure is used to distribute the rates equitably between properties. The uplift in property values is actually captured by the Victorian Government through land taxes. The 2018 Budget documents show land taxation revenue is expected to increase by 23 percent in 2018-19, and an aggregate of 74.6 percent since 2015-16.

Freeing up more funding from ratepayer revenue will therefore need to come from councils finding ways to deliver stormwater services more efficiently. It also means that if new assets and services are to be provided by councils that new funding sources will be required if substantive change is to be realised consistently across the local government sector.

For rural and many regional areas, there are many towns with older drainage infrastructure that was not designed to carry increased flows which are now emerging from new developments and more intense storm events. Consequently, it is likely that quite a number of cities and towns will have allowed developments which now require attention in order to meet increasing storm events and optimise opportunities for greening and cooling of urban centres. In some towns the limited scale or earning capacity of developers means that councils are reluctant to require them to contribute to the costs of development by increased infrastructure requirements.

With the trend to water-sensitive urban design leading to a greater breadth in the type of asset which needs to be maintained to manage stormwater effectively while also preserving environmental benefits, an asset improvement program is going to be required to be undertaken by councils. In order for this to be undertaken sooner rather than later to minimise future legacy problems being built into the system, DELWP providing funding for a project which illustrates how WSUD infrastructure assets can be better identified in council asset registers will aid their maintenance and renewal being factored into council budgets. In our submission to the Draft SEPP (Waters), the MAV has recommended to DELWP that a funding program for local government through the MAV's STEP asset management program would assist in opening up opportunities for councils to reform their stormwater management.

- We would welcome the Advisory Committee recommending that DELWP provide funding for further analysis to be undertaken of the sorts of WSUD assets which should be included in the council asset registers, to enable them be included more effectively included in councils' asset registers and annual maintenance programs. The project would also aim to identify cost-savings and efficiencies for councils utilising an upstream/downstream perspective.

We also note that that minimising the pollution carried by stormwater before it enters waterways is far more cost-effective at achieving waterway health than the economic and social costs that arise when they become polluted and unavailable for human and environmental purposes. We recommend greater exploration of councils having access to funds where their actions contribute savings to CMAs, water corporations and Melbourne Water which would otherwise have higher water treatment costs.

Having access to service charges for particular locations may also be an option where communities are prepared to pay for specific stormwater management solutions. We provide further comment about this in our comments under Section 2.6(b).

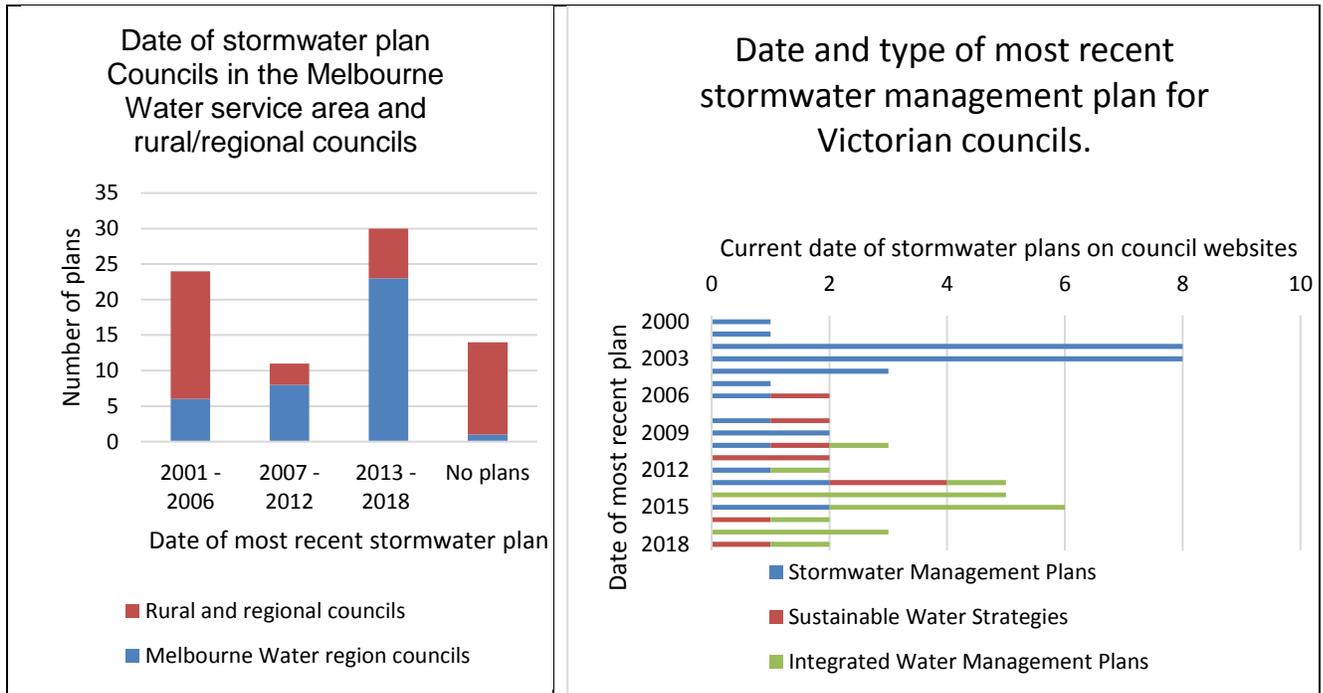
Achieving greater consistency for council approaches to stormwater management

We recognise there are opportunities for more centralized advice to be developed which would enable more consistency in the advice and activities councils require of developers. This guidance would need to have flexibility to meet the needs of the various types of councils across the state, however. For example rural councils with small towns have very different urban stormwater management issues to large metropolitan councils facing acute development pressures.

Harnessing the innovation and energy within the local government sector would be worth utilising early on, rather than councils being consulted at the end-point after most decisions about the nature of the advice to be provided have already been made.

In respect of the impending new SEPP (Waters), there is also an opportunity for DELWP and the EPA to provide guidance around contemporary planning issues councils could consider included in their stormwater management plans. Further guidance and information for councils on how climate change should influence decision making in flood planning, drainage, liveability and stormwater management activities would be useful to explore further.

A desktop review of council websites undertaken by the MAV in January 2018 showed that 66 of the 79 councils had references to drainage and/or stormwater plans.. While lack of a stormwater plan on-line does not mean they haven't been prepared, that some of the plans on council websites – particularly rural and regional councils – date back to the early 2000's, does indicate that capacity-building projects for these councils will need to be considered to enable robust planning catchment-wide.



As demonstrated in the graph above, there are many councils leading in stormwater management planning, with a trend towards Integrated Water Management Plans, and many other policies and strategies being prepared to guide their public place and sustainable environment planning. The change in terminology from stormwater management to integrated water management reflects a maturing of local government capacity in water management as councils have shifted from a focus on stormwater management, to protecting waterways, to a more holistic integrated approach that considers waterway protection alongside a range of diverse sources and uses of water for multiple benefits across a number of council service delivery areas.

There is also innovative work being undertaken through the 26 councils which have formed the Council Alliance for a Sustainable Environment (CASBE).

- We would welcome the Advisory Committee recommending that local government be closely involved in the development of guidance for stormwater management planning from the beginning to enable them be effective in meeting council needs and enabling system improvements.

Exploration of ways communities can play a bigger role in stormwater management

The conundrum of stormwater management is that the overlay of municipal boundaries and councils' current allocation of resourcing does not accord with efficient allocation of expenditure to where it can deliver the most benefit. As part of the MUSIA project we will be examining in greater detail how councils in the same catchment can collaborate to obtain better outcomes for the catchment, such as is occurring in the Elster Creek Catchment involving the cities of Port Phillip, Kingston, Glen Eira and Bayside.

Increasing the community's understanding about the importance of stormwater infrastructure would also assist in supporting community resilience and capacity at local levels. It would also support any enhanced requirements the committee implements in the planning process to ensure private landowners maintain private WSUD assets on their property.

It would also empower local communities to take greater interest in rainfall as a source of water which they can use and manage. A community education campaign would be worthy for consideration, including a schools program and an industrial and commercial program to inform businesses of the impact of their stormwater pollution on waterway and bay health. Use of digital technology platforms would also be worth investigating.

- That the Advisory Committee recommend DELWP/EPA work with councils and water authorities to develop a community education program. The MAV would also be willing to investigate digital innovations acquainting citizens with stormwater management through the Local Government ICT Committee.

Issues Paper topic 2.1: Opportunities to extend the coverage of stormwater planning requirements

Question 2.1(a) What are your views on the conceptual planning control option?

In principle, the MAV supports the broadening of the VPP's application to developments which lead to stormwater pollution (sediments and contaminants) and flooding and erosion (from excess flows from impermeable surfaces). As the Issues Paper identifies, there are currently significant inequities in the sorts of developments which need to meet state-determined stormwater requirements, and those which might be subject to a council's local policy. Metropolitan councils will particularly support options being explored for broaden application of the BEPM through the planning permit system.

In respect of the actual wording of the proposed planning control, we note that it currently has a number of ambiguous statements which require greater clarity. MAV would be happy to continue to contribute to the refinement of the draft provisions.

- We recommend that a package of practice notes and guidance be developed to assist councils with communicating and implementing the proposed changes internally, and to facilitate engagement with industry to smooth the transition to any new planning controls.
- We also support the review of the BEPM which underpins the planning controls as a way to ensure the standards protect waterways from the impact of new developments.

Question 2.1(b) What (complementary) changes to the building and plumbing regulations or guidance, or any other mechanisms, are needed?

As a general comment, building and plumbing regulations should complement the changes to the planning system to ensure that the whole approvals system is working to the same objectives.

Issues Paper Topic 2.2: Opportunities to provide broader benefits - What stormwater planning provisions, or other mechanisms, would help to deliver the broader benefits listed in Section 2.1?

We are not confident the planning permit system is the right place to deliver on the issues outlined in Section 2.2 of the Issues Paper. Erosion management, mitigation of stormwater related flooding, liveability from WSUD facilitating recreation are matters best considered at the strategic planning level, particularly through structure planning.

Other matters would be better dealt with through existing structures, such as litter being considered through the Environment Protection Act, flooding also through the various state government strategies such as the Victorian Floodplain Management Strategy.

We support consideration of potable water substitution if stormwater can be a resource which councils have rights to use, however this is not really a matter for the planning system. Rather, it relies on the public realm stormwater management infrastructure system being designed to capture the resource from the legal point of discharge. Larger scale stormwater harvesting infrastructure is likely to be increasingly needing to be considered as a viable solution with added benefits for the public realm.

**Issues Paper Topic 2.3: Opportunities to deliver a ‘place based’ approach
(a) Should stormwater standards vary spatially? If so, on what basis and at what scale?**

Requirements for an Integrated Water Management Plan at a Precinct Structure Plan level would also allow for tailored solutions for waterway protection and stormwater harvesting. Water authorities and Melbourne Water’s drainage service schemes should be able to require developers to achieve required standards and solutions identified in such plans.

(b) How can the planning system be used to guide and implement local IWM related standards?

The MAV has no specific comment in the short time available to provide comment.

**Issues Paper Topic 2.4: Opportunities to link water management and urban planning
(a) How should IWM plans, and or frameworks (Section 1.6), be linked to the planning system?**

The MAV has no specific comment in the short time available to provide comment.

(b) What mechanisms should be used to strengthen the links between water management and public realm planning or the planning system more broadly?

The creation of Integrated Water Management Forums in late 2017 have provided useful opportunities to explore how water authorities and councils can better integrate water management. We understand that early meetings have been positive, and that these are proving useful forums to identifying shared visions and potential projects.

- Given that these forums are still in their infancy, we would welcome the Advisory Committee recommending that DELWP continues to provide support to enable them to realise their potential, with any evaluations to be undertaken after 2019, to enable them to develop before decisions are made about whether or not they should be continue to be supported.

Issues Paper Topic 2.5: Opportunities to improve compliance and implementation

(a) Where are the weakest links in the chain of compliance and implementation of stormwater management requirements (including design, operation and people related issues)?

Issues identified by councils which are emerging as issues include:

- Lack of maintenance of WSUD assets which are critical to effective management of stormwater is becoming a significant issue. Where ownership is with a non-government agency, maintenance can be variable according to the knowledge and resources of the bodies responsible (such as a body corporate and individual landowners). Changes in ownership are also resulting in lack of understanding by new landowners about the role of the stormwater asset (such as raingardens), and the need for them to be maintained in an ongoing way. While developers pay to have them installed, if they end up not serving their purpose then they are delivering questionable value
- Enforcement and compliance is an issue when the planning system is relied on for its delivery. In practice the planning system enables design and construction of stormwater treatment options. It cannot be relied on however, to check that WSUD treatments on private land are maintained to the level anticipated at the design stage. With changes in ownership, changes can also occur for which permits are not required, such as paving of areas which were initially intended to provide permeable surfaces. As a result, maintenance is more likely to occur on public realm assets than those in the private domain, unless they come to attention through complaints processes.
- In respect of stormwater mitigation assets in the public realm, councils often become the default owner and maintainer, with no funding streams
- There is increasing pressure on public land being used to provide stormwater management infrastructure due to some developments having limited regard for imperviousness. The collective impact from many individual developments is creating negative results for the liveability from reduced canopy for urban cooling and greater potential for flooding
- Rapidly increasing impermeable surfaces through densification of development in brownfields and increasing greenfield development means that older infrastructure that was designed to previous standards in the 1970s is no longer sufficient to manage flows that are generated further up the catchment
- Ill-defined roles and responsibilities with no clear way to prioritise infrastructure provision based on need. For example, should councils prioritise runoff from private property as the most efficient allocation of their resources, or should they be devoting ratepayer funds to targeting road runoff?
- Potential for better coordination, expertise and resourcing within councils to design, construct and maintain WSUD assets across council departments.

(b) What actions are the most critical to improve compliance and implementation?

Broadening the work being undertaken by a number of inner metropolitan councils to consider WSUD assets from a whole-of-cycle perspective (design, planning controls, installation, maintenance, replacement) would enable assets which are critical to the management of stormwater to be designed in a way that will make maintenance easier. Communicating this program would assist councils to better understand the role WSUD assets play, and the need for their maintenance to be included in annual budgets.

Issues Paper Topic 2.6: Opportunities to support stormwater management in the public realm

(a) What would help responsible authorities to determine and communicate the costs and benefits of public stormwater infrastructure

As discussed under our introductory comments, a community education program would assist raise awareness of stormwater management imperatives and the rationale for special attention being given to it.

(b) What mechanisms should councils use to recover the construction and maintenance costs of public stormwater infrastructure?

We encourage examination of the options and mechanisms councils could use to recover the construction and maintenance costs of public stormwater infrastructure. As noted in our introductory comments, an increasing number of stormwater infrastructure assets are likely to fall to the responsibility of councils, and if these are to be managed to the standard they need to protect waterways, then resourcing does require serious examination.

Under the current Local Government Act 1989 s162 enables a council to declare a service rate or an annual charge for a prescribed service. While provision of a water supply and sewage services is specifically listed, our advice is that this would not cover stormwater infrastructure. We recommend that the possibility of this being prescribed is further explored. Section 106 of the Local Government Bill 2018 currently being considered by the Victorian Parliament also allows for a service charge to be declared for drainage. We note that this Bill is still under consideration by the Parliament, however.

Regardless of whether raising specific service charges is legally possible, there remains the problem that councils introducing additional service charges in addition to their rates collections is controversial where communities do not wish to pay for extra levels of service. There would therefore need to be strong community support for councils to consider this pathway. A community education campaign would be essential to underpin such a proposal.

(c) Should offsets be used to improve stormwater management? If so, how should they be used?

Currently a number of councils are considering offsets programs as a way of enabling developers to contribute funding for stormwater projects in the public realm that are not as able or practicable to be delivered at the development site. The Advisory Committee will be aware of the programs currently operating in Kingston and Bayside City Councils. Whether offsets is the optimum strategy will vary for particular locations, however. There is also the question of whether the initial injection of funds from offset programs should be calculated so they contribute to the costs of maintaining stormwater assets they create elsewhere in the municipality.

From councils' perspective, however, offsets enable them to initiate projects which would otherwise not be possible to deliver from their existing budget allocations for stormwater management.

Developer contributions are easier to implement for greenfield sites, however they are much more difficult to implement for brownfield and infill development. In Bayside City Council, for example, it took eight years to establish a Developer Contribution Plan Overlay, and it required significant resourcing on behalf of that council to identify priorities and funding tied to specific parts of the catchment and produce a robust evidence base to stand up against the objections by developers through the Planning Panels process.

If councils had better access to a known line of funding, there would be less need for offsets to be required.

4 Recommendations

We welcome the considerable level of reform and attention being given to stormwater management by the Victorian Government. Councils play a critical role in delivering services which also generate considerable savings to the water sector by avoidable water treatment costs.

This submission has been informed by the consultation we have recently undertaken with councils through the development of our submission to the Draft SEPP (Waters) and the MAV MUSIA Local Government Working Group. As we have not been able to test in detail specific issues related to the planning system, we look forward to being further involved when proposals for change are developed.

We therefore look forward to the Advisory Committee's recommendations to continue to progress these reforms to enable greater Melbourne and other Victorian urban centres retain their liveability and amenity for communities, and to work through the detail of its recommendations.

5 Further information

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