**ATTACHMENT 7 – Stormwater drainage service definitions and potential service level reductions**

If there is no increase to Council's general income from 1 July 2026 for the stormwater drainage service charge under the *Local Government Act 1993*, this will result in an overall reduction in income for Council to deliver services under the General Fund and the stormwater drainage services currently delivered utilising the stormwater drainage service charges levied under the *Water Management Act 2000*.

To ensure that Council is able to remain financially sustainable, Council will need to review services and service levels, with and to the Community.

The income from an annual charge for stormwater management services would not raise enough money to replace the lost stormwater drainage service charge income currently levied under the *Water Management Act 2000*. The annual charge for stormwater management services is currently capped at $25 for a house, $12.50 for an apartment and businesses pay an area-based charge.

Stormwater Drainage assets under management

| Asset Type | Quantity | Replacement Cost^ |
|---|---|---|
| Stormwater Drainage Asset Summary | | |
| Drainage Pipes | 1092 kilometres | $1,006,567,911 |
| Drainage Pits | 39,775 items | $243,811,331 |
| Drainage Culverts | 54.2 kilometres | $229,295,122 |
| Drainage Channels | 54.8 kilometres | $233,486,693 |
| Detention Basins | 163 items | $127,911,557 |
| Headwalls | 10,455 items | $33,459,612 |
| Pollutant Traps | 472 items | $19,446,032 |
| Levees | 17 items | $6,784,566 |
| Hydrometric Stations | 32 items | $1,028,225 |
| Floodgates | 74 items | $464,048 |
| Total | 1201 kilometres<br>100,161 items | $1,902,255,096 |

| Current stormwater drainage service definition | | What would a service level reduction look like? |
|---|---|---|
| Stormwater Drainage Network Maintenance | | |
| Proactive Maintenance Inspection Programs<br>Reactive Inspections and Customer Responses<br>Drainage Pipe, Culvert, Channel and Drainage Structure Clearing Works<br>Pipe / Joint Patching and Drainage Structure Repairs<br>Gross Pollutant Trap Clearing and Maintenance<br>Table Drain Maintenance<br>Flood Mitigation Structure Maintenance and Repairs<br>Emergency and After Hours Response Functions | The delivery of proactive, reactive and emergency or after hours drainage maintenance actions. Includes the clearing of sediment, debris and vegetation from drainage pipes, culverts, channels and structures such as pits, headwalls and gross pollutant traps, drainage structure repairs and pipe patching works, as well as the maintenance of road side drainage channels. It also includes the maintenance of flood mitigation assets such as detention basins, levees and floodgates, in line with the relevant operation and maintenance manuals. It excludes the maintenance of kerb and gutter which is considered a road asset. | • Less proactive maintenance and more reactive maintenance actions leading to more costly, frequent and short-lasting outcomes.<br>• Longer maintenance inspection cycles resulting in increased public safety risks, increased potential for community disruption / isolation and exposing Council to increased risk of litigation.<br>• Delayed responsiveness to customer queries resulting in increased public safety risk, increased customer complaints and dissatisfaction with Council.<br>• Increased chance of asset failure due to the more reactive nature of maintenance operations with the potential to result in environmental damage, financial penalties, significant public / private infrastructure damage and potential loss of life.<br>• Long term financial unsustainability of the drainage network as routine maintenance interventions are not undertaken in line with best practice leading to shorter asset useful lives, increased Depreciation and earlier / higher capital cost replacement works.<br>• Potential loss of staff and resources. |
| NSW Dam Safety Regulatory Compliance | | |
| Routine Safety Inspections<br>Incident Management<br>Maintenance and Capital Improvements<br>Regulatory Reporting | The delivery of legislated dam safety compliance requirements related to stormwater drainage dams assessed as having catastrophic consequences of failure. This includes dedicated routine inspections, emergency planning and responses, maintenance actions, capital improvements and the preparation / submission of dam break studies, risk reports, dam safety emergency plans and annual performance reporting. | • Potential regulatory non-compliances resulting in audit qualifications and financial penalties.<br>• Increased chance of catastrophic asset failure resulting in significant public / private infrastructure damage and potential loss of life. |

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| **Stormwater Drainage Asset Management** | | |
| Critical Asset Inspections<br>Condition Assessment Programs<br>Asset Investigations and Customer Responses<br>Asset Capitalisations / Disposals<br>Asset Management Planning<br>Asset Revaluations<br>Asset Reporting | The delivery of best practice asset management and regulatory compliance including the preparation of asset management plans, asset revaluations and annual reporting, the maintenance of technical / financial asset registers and GIS mapping, the undertaking of asset investigations and the development of future capital works programs to address existing asset renewals, regulatory compliance, network upgrades and growth. Also includes critical asset inspections on a 12-month cycle, and an annual condition assessment program to strategically sample / validate asset network condition on an approximate 30-year cycle. | • Longer critical asset inspection and condition assessment cycles resulting in increased public safety risks, increased potential for community disruption / isolation and exposing Council to increased risk of litigation.<br>• Reduced asset management capacity resulting in the degradation of asset data / systems, ineffective and reactive decision making, less robust capital works prioritisation and project planning, increased maintenance requirements and customer complaints, and the long-term financial unsustainability of the network.<br>• Delayed responsiveness to investigations and customer queries resulting in increased public safety risk, increased customer complaints and dissatisfaction with Council.<br>• Potential loss of staff and resources. |
| **Floodplain Risk Management** | | |
| Flood Studies<br>Overland Flow Studies<br>Floodplain Risk Management Planning<br>Flood Planning Controls<br>Emergency Planning<br>Water Level Recorders and Rainfall Gauges | The delivery of flood plain risk management functions in line with NSW Floodplain Risk Management Manual and related document. This includes the preparation of Overland Flow Studies, Flood Studies, Floodplain Risk Management Studies and Plans. These studies and plans are delivered via external consultants and help Council prioritise drainage network upgrades and flood mitigation capital works as well as guide flood planning controls and emergency planning. Typically Council progresses X-X project each year. | • Reduction in the number of studies and projects that can be progressed each financial year.<br>• Reduced effectiveness of strategic planning, growth planning and development control as catchment modelling and flood planning has not been updated in a timely manner.<br>• Increased risk of significant flood impacts due to a lack of strategic identification of issues and risk assessment, and out of date emergency planning advice. |

| Stormwater Drainage Capital Works | | |
|---|---|---|
| Annual Depreciation Expense<br>Modelling and Design<br>Renewal Programs<br>Minor Capital Works<br>Drainage Upgrade Projects<br>Growth Projects | The planning, project initiation, modelling, stakeholder consultation and concept / detail design of stormwater drainage projects. Also includes stormwater drainage capital works program management, variation control, governance and reporting. Relates to the delivery of capital works driven via asset renewal / condition, strategic upgrade works driven via flood plain risk management planning or engineer investigations / risk and new stormwater drainage works driven by developer contribution planning and growth. | • Reduction in the size of the capital works program.<br>• Increased number of reactive stormwater drainage renewal projects due to asset condition and inspection programs cycles being extended, generating more delivery risk as design / construction timeframes will be tighter.<br>• Delayed asset renewals leading to more costly renewal treatments or an increase in project scope being required.<br>• Potential that growth and new development is not supported by appropriate stormwater drainage infrastructure.<br>• Increase in Annual Depreciation Expense as maintenance and renewals cannot be undertaken in a timely manner. |