

Manningham City Council

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Hon. JOM Pandazopoulos, MP
Environment and Natural Resources Committee
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

Copy via email: enrc@parliament.vic.gov.au

Dear Mr Pandazopoulos,

Parliamentary Inquiry into Melbourne's Future Water Supply

Manningham City Council is pleased provide this submission to the Parliament of Victoria's Environment and Natural Resources Committee's inquiry into Melbourne's Future Water Supply. Local government is a key water stakeholder as a result of a number of functional roles (eg. as a water consumer, as community advocates, land planning role, involvement in protecting the local environment and management of stormwater).

Manningham Council's vision for the municipality includes a strong, active, involved and healthy community living in a city which is able to offer the very best of urban and rural amenity. We aim to address the current and future needs of the whole community and foster principles of sustainable living which balance with economic growth and social justice.

Council enjoys a reputation as one of the most livable municipalities in Melbourne and enjoys an extremely high level of community satisfaction. It is important that we continue to manage our water to ensure that the character and services which underpin the community's enjoyment of Manningham is maintained in a sustainable manner.

The Inquiry's Terms of Reference covers a range of issues which are of interest to Local Government; Manningham's submission will concentrate in several key areas listed below:

- Social Obligations
- Water Conservation and Efficient Water Use
- Integrated Water Management (including Stormwater Management)
- Legislative Reform
- Institutional Co-operation

Specific issues raised in each of these sub headings are provided on subsequent pages. Should the Committee require further information or have any additional queries regarding any of these matters please do not hesitate to contact me on (03) 9840 9275.

Yours sincerely

CLAUDE CULLINO
Director Assets and Engineering

Social Obligations

Water is a fundamental requirement for the proper functioning of a modern city. Any future water supply option must ensure that sufficient quantities of safe and reliable water are available to meet the needs of the community and ensure living standards are maintained. It is also of paramount importance that the water supply arrangements ensure equitable access to all sectors of the community and that appropriate tariff and service arrangements are in place to cater for the needs of different socio-demographic groups.

Water Conservation and Efficient Water Use

Any review of water supply options must start with an understanding of the future demand profile for water. Consideration of alternate water supplies must include sufficient levels of security to allow services to be provided, ensure that water intensive assets can be maintained and the cost of providing water for water intensive assets is kept at affordable levels. The experience of the recent drought has highlighted the need to ensure water is used in an efficient and effective manner and that the rules covering periods of water scarcity allow sufficient flexibility to ensure assets can be properly managed by the expert skills sets which reside in municipal organisations.

We would argue that any move to secure future water supplies should include a transparent and researched allocation framework which addresses the practical issues of asset managers and to ensure water is used efficiently. Manningham is working with Yarra Valley Water (YVW) and Victoria University through a Smartwater funded initiative to develop tools which could inform an allocations framework based on scientific horticultural principles. We would like the Committee to be aware of this work and incorporate its outcomes into future water planning.

Local Government works closely with the community it serves and can provide leadership on a range of water conservation and alternate water supply initiatives. Manningham is working closely with YVW as they implement sewer backlog works in the municipality. These works are necessary to improve the health of waterways, and a Memorandum of Understanding has been signed between Council and YVW to ensure that alternate servicing options (including local treatment and re-use of effluent) are given due consideration. Manningham is working with our community to ensure the merits of alternate servicing options are understood and believes that local recycling should be investigated as it has the potential to provide an excellent, reliable source of additional water.

Integrated Water Management (including Stormwater management)

Manningham considers Integrated Water Management as an important technique provide a range of benefits including the provision of alternate water, improve runoff quality (to benefit receiving waterways) and to provide local scale solutions which engage with community. Manningham is beginning to incorporate an IWM approach into our existing capital works program and believe this will allow additional water quality benefits to be leveraged from planned Council expenditure. Local Government undertakes significant capital works across the industry sector and is ideally placed to deliver a range of IWM solutions through a range of capital works programs. Manningham would support recommendations supporting an industry structure which recognised the merits of an IWM approach and facilitated complementary water solutions being developed through a partnership approach.

IWM offers a method to achieve a balance between the competing objectives of water supply and conservation. Manningham residents are able to enjoy a range of passive and active recreational pursuits, the facilities for which are affected by various interactions with the watercycle (indeed it is this mix of recreational opportunities which many residents find appealing). Water management techniques which foster beneficial environmental outcomes including reduced erosion of waterway banks, the retention or restoration of vegetation and habitat within the developed environment leading to improved biodiversity outcomes or a reduced dependence on potable water supplies are all compatible with IWM principles.

The benefits of IWM need to be understood and valued across institutional boundaries and geographical. It is not uncommon for an agency to limit their interest in outcomes because their boundary of responsibility is limited by a geographical or institutional construct. As a case in point we draw upon experiences in the area of urban drainage and flooding, works done to increase drainage capacity to alleviate local flooding can serve to migrate flooding issues further downstream in the catchment. It is realised that the task of developing a level of sophistication to ensure cross institutional impacts and benefits to be valued is large, however to consider the merits of alternate water supplies arising from an IWM approach it is important work that needs to be undertaken.

Through our involvement with YVW, Manningham is aware that the merits of traditional supply and servicing arrangements as compared to alternate options aren't as straightforward as may seem. A proper and objective assessment of different options should include water balances, greenhouse gas assessment and a nutrient balance to be carried out over the expected life of water servicing schemes. This work can lead to interesting outcomes being observed. Assessments can be very location specific and serve to highlight that a 'one size fits all' philosophy is a gross simplification and may in fact lead to increased community cost (from a TBL perspective) over the life of a scheme. By way of example we highlight a hypothetical situation in which significant energy is required to supply water services in a traditional manner (eg. potable water supply and sewerage disposal). An alternate water servicing strategy which utilizes local sources of stormwater and sewerage can minimise energy requirements (as water doesn't have to be pumped in and out). Incremental savings in energy added over a 30- 50 year time horizon for which a scheme could operate will add up to significant greenhouse gas savings and energy cost savings over the scheme's life.

IWM also has the potential to provide additional benefit beyond just supply considerations is the area of flood management. The ability to store and use stormwater provides an opportunity to reduce the volume and risk of flooding in catchments. The Auditor General's 2006 report into Urban Flood Risks in Melbourne indicated that as many as 80,000 properties across Melbourne were at risk of flood inundation. Climate change rainfall predictions for more intense rainfall events along with increasingly impervious cities are expected to exasperate this issue. Manningham believes that due consideration of IWM options which have the potential to lessen flooding risks should be considered in detail.

Legislative Reform

Manningham has recently received a legal opinion regarding the existing legislative arrangements and how they affect may Local Government implementing stormwater harvesting schemes. Upon advice it is likely that in a strict legislative context, stormwater reuse schemes may expose Council's to significant liability without adequate legal protection. Manningham believes that legislative reform is required to adequately support local government's endeavours to harvest stormwater.

The Victorian Government gave an undertaking to adopt recommendation "5.2- *That the Government clarify the rights to stormwater and the responsibilities for the provision of stormwater harvesting services, and bring stormwater within the existing water resource framework*" made by the Victorian Competition and Efficiency Commission as part of its recent inquiry into the structure of the metropolitan retail water sector. Given that Local Government is already looking at stormwater harvesting from both a water resource and waterway health perspective it will be important that this work is completed in a timely and comprehensive manner.

Institutional Co-Operation

Many of the points under this sub section relate to discussion points raised in the sections above but are repeated to highlight the need for institutional (and regulatory) barriers to be removed as an impediment to alternate water sources.

Work being undertaken by the National Urban Water Governance Program at Monash University involved extensive interviews with water industry professionals and identified institutional and regulatory arrangements as impediments to implementing alternate water solutions (especially stormwater harvesting and sewerage recycling).

For alternate water options to be workable institutions need to work beyond their traditional narrow focus. There are examples of where this is happening on a site by site basis, especially in Greenfield areas. In part the co-operation between agencies is driven by individuals and project champions; however a more systematic approach is needed. Mechanisms to support inter agency co-operation should be incorporated into statements of obligation and made reportable against operational performance indicators.