



Reference Number: 24/722273

9 December 2024

Mr. Andrew Nicholls Chief Executive Officer Independent Pricing and Regulatory Tribunal PO Box K35 Haymarket Post Shop NSW 1240

Dear Mr. Nicholls,

RE: SYDNEY WATER'S 2025 - 2030 PRICE PROPOSAL

I am writing to you regarding the Independent Pricing and Regulatory Tribunal's (IPART) review of the maximum prices that Sydney Water can charge for water and water-related services for the period 2025 - 2030. In this regard, the following correspondence represents Council's submission by way of response to IPART's terms of reference (Issues Paper), for your consideration.

Please note that this submission, while prepared by Council officers, is not formally endorsed via a resolution of Council. Due to the timing for release of IPART's review terms of reference, and Council's set meeting schedule for 2024, it was not possible to report a submission to Council prior to IPART's due date for feedback of 9 December 2024.

The scope of IPART's review is significant for the Western Parkland City, including the Camden local government area (LGA), as the cost and sequencing for delivery of water and water-related infrastructure has a key role to play in shaping its future as a sustainable and liveable City. The following points highlight the potential impacts on both the existing and future Camden LGA community, resulting from 'Sydney Water's 2025 - 2030 Price Proposal'.

Delivery of Water and Sewer Infrastructure in the Camden LGA

The barriers to housing supply for the growth areas in South Western Sydney, including the Camden, Campbelltown and Wollondilly LGAs can be complex, with some issues directly constraining development (e.g. restricted availability of essential infrastructure such as water and sewer), and others having indirect implications (e.g. environmental constraints).

Following is a brief overview of the types of issues/challenges experienced by Council in managing the housing supply pipeline in the Camden LGA through the planning process, particularly in greenfield growth areas.





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Infrastructure Delivery

The provision of supporting infrastructure is essential to the success of timely housing supply. The two elements of essential infrastructure and housing supply are inextricably linked, insofar as that wherever there exists a housing supply problem, so too is there a likely shortfall of essential supporting infrastructure. Following are examples of the types of issues experienced in the Camden LGA regarding infrastructure provision:

- Uncertainty/lack of commitment and delays by the NSW Government and various utility providers in delivering key infrastructure to support development.
- · Lack of NSW Government agency (and utility provider) coordination and responsiveness to identified infrastructure challenges/issues.
- Inconsistent and changing advice from agencies (e.g. Sydney Water). Uncertainty and lack of commitment to timing and delivery of transport infrastructure, especially a lack of strategic public transport infrastructure.
- In the South West Growth Area, in the Camden LGA, the Leppington precinct (stages 3 & 4) currently has no commitment to essential utility infrastructure servicing.
- Likewise, the precincts in Springfield Road North and South (Catherine Field Precinct) are unlikely to proceed before 2029 – 2030 due to Sydney Water's inability to service these areas before that time.

Example – Water & Sewer Infrastructure: South West Growth Area

While there is ongoing demand for greenfield residential development in the Camden LGA, one of the primary limits on generating housing supply is the lacking availability of water and sewer infrastructure in immediate proximity to certain developments. In areas of fragmented land ownership, the impact is especially acute as it is difficult for a developer to assemble enough land parcels to fund lead-in infrastructure.

Following is an indicative map of parts of the South West Growth Area in the Camden LGA that require servicing for potable water:









13 22 63







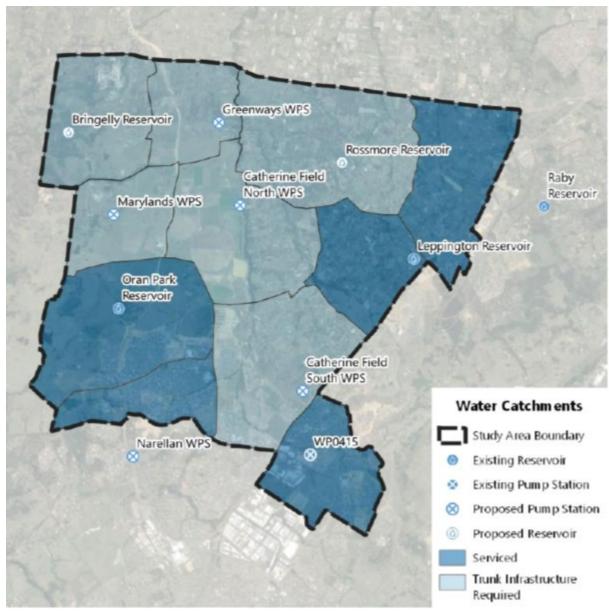


Figure 1: South West Growth Area (Camden LGA) - Potable Water Infrastructure Servicing

As depicted in Figure 1 the majority of the South West Growth Area in the Camden LGA still requires infrastructure servicing for Potable Water, while the status for Wastewater Infrastructure requirements is generally the same. Without the urgent delivery of this essential infrastructure by Sydney Water, the provision of housing supply will continue to fall behind the housing targets set by the NSW Government.

Recommendation:

There is an urgent need for the delivery of Potable Water and Wastewater infrastructure to facilitate the delivery of housing supply in the South West Growth Area.













Council officers recommend that IPART's review has consideration for the funding requirements needed to ensure that Sydney Water will have the capacity to deliver this essential infrastructure in the Camden LGA.

Infrastructure Coordination

A further issue of significance regarding the provision of infrastructure is the inherent need for coordination in its delivery. Even when infrastructure projects are committed for construction, without an integrated approach to planning/implementation, there remains a risk in the temporal or spatial sequencing of essential infrastructure needed to support the provision of housing supply.

Following are examples of the types of issues experienced in the Camden LGA regarding infrastructure coordination:

- Lack of broader structure planning resulting in planning proposals needing to be determined without the benefit of knowing the broader planning context e.g. demand on supporting infrastructure.
- Lack of a broader land staging and sequencing plan (for the Greater Sydney Region) that prioritises and coordinates delivery of key infrastructure across multiple growth areas (not just the South West Growth Area) e.g. lead-in mains, wastewater infrastructure etc.
- Lack of structure planning for the broader South West Growth Area is impacting coordination, staging, and sequencing decisions. Council has previously expressed its concerns with the previous 'update' to the South West Growth Area – Structure Plan, conducted by the NSW Government.

Recommendation:

Sydney Water has a key role in the planning and delivery of Potable Water and Wastewater infrastructure. To be successful in this role, it is essential that Sydney Water ensures the delivery of this infrastructure is coordinated with other utility and infrastructure providers in supporting housing supply.

Council officers recommend IPART's review stipulate a conditional element to Sydney Water's capacity for pricing, in ensuring the infrastructure it funds is coordinated with other infrastructure enabling housing supply.

Sydney Water Price Proposal – Impact on Cost of Living

Sydney Water's Price Proposal for 2025 – 2030 has the potential to have a significant financial impact on vulnerable members of the Camden LGA community. Following are some key points of consideration for IPART's review.

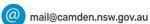














- Immediate Financial Impact: Sydney Water proposes an 18% increase in bills for a typical household in the next fiscal year, followed by 7% increases annually for the next four years, plus inflation. For households, this could lead to a substantial rise in monthly expenses, with a typical household expected to pay \$235 more in the first year alone.
- Long-term Financial Impact: Over a five-year period, average residential bills could rise significantly, which might strain household budgets, particularly for low-income households in the Camden LGA. The continuous annual increases would add up over time, leading to longterm financial pressure on vulnerable community members.
- Effect of Service Charges: The larger increases in fixed water service charges (compared to usage charges) mean that even households that use less water will still face higher bills.
 Reducing water usage may not be enough to offset these increases, leading residents to explore other cost-saving measures, placing further pressure on household budgets.
- Cost-of-Living Impact: With the rising cost of living in Australia, the proposed price increases
 may exacerbate financial strain for some households. Residents who are already struggling
 with high living costs may find the additional Sydney Water charges difficult to manage,
 particularly those with lower disposable incomes.
- Impact on Vulnerable Groups: The increase in prices could disproportionately affect vulnerable Camden LGA residents, including those on fixed incomes, the elderly, or people experiencing financial hardship. Sydney Water is proposing rebates and support mechanisms, but the effectiveness of these measures in mitigating the financial burden will be crucial.

The proposed pricing changes by Sydney Water aimed at addressing growth, environmental sustainability, and improving water quality, will have a notable impact on the Camden LGA community. While the long-term benefits could include better infrastructure and service reliability, the immediate financial impact, particularly from higher service charges, will likely lead to concerns about affordability. Vulnerable groups may feel the strain more acutely, and residents will need to weigh the trade-off between paying higher bills and receiving improved or more sustainable services.

Recommendation:

As sanctioned by the United Nations (and the Australian Government), access to clean water is a basic human right. With a proposed increase in cost to access water, vulnerable members of the Camden LGA community may be forced to forego other essential items in their household budget, just to avoid turning on the tap.

Council officers recommend that IPART's review considers stipulating that certain parts of Sydney Water's new pricing proposal is 'means tested' i.e. it only applies to those customers that have the capacity to pay, to protect financially vulnerable members of the community. We would welcome the opportunity to speak with IPART officers regarding Council's submission if this would be of assistance.















Should you require any further information regarding Council's submission, please do not hesitate to contact myself on

Yours sincerely

















English

If you need help understanding this information, please call the Translating and Interpreting Service on 131 450 and ask them to call Camden Council on 13 22 63 on your behalf.

Chinese (Simplified) | 简体中文

如果您需要帮助理解本资料内容,可首先致电 131 450, 联系翻译和口译服务(TIS),然后要求为您转接 13 22 63 联系 Camden 市议会政府。

Chinese (Traditional) | 繁體中文

如果您需要幫助理解本資料内容,可首先致電 131 450, 聯絡翻譯和傳譯服務(TIS),然後要求為您轉接 13 22 63 聯絡 Camden 市議會政府。

العربية | Arabic

إذا كنتم بحاجة للمساعدة في فهم هذه المعلومات، فيرجى الاتصال بخدمة الترجمة التحريرية والشفهية (TIS) على الرقم 450 131 والطلب منهم الاتصال بمجلس Camden على الرقم 23 23 11 بالنيابة عنكم.

Spanish | Español

Si necesita ayuda para comprender esta información llame al Servicio de Traducción e Interpretación (TIS) al 131 450 y pida que llamen a la Municipalidad de Camden al 13 22 63 en su nombre.

Vietnamese | Tiếng Việt

Nếu cần người trợ giúp mình hiểu thông tin này, xin quý vị gọi cho Dịch vụ Thông phiên dịch (TIS) qua số 131 450 và yêu cầu họ gọi cho Hội đồng Thành phố Camden số 13 22 63 giùm quý vị.

Punjabi | ਪੰਜਾਬੀ

ਜੇਕਰ ਤੁਹਾਨੂੰ ਇਸ ਜਾਣਕਾਰੀ ਨੂੰ ਸਮਝਣ ਵਿੱਚ ਮੱਦਦ ਦੀ ਲੋੜ ਹੈ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ 131 450 'ਤੇ ਟ੍ਰਾਂਸਲੇਟਿੰਗ ਐਂਡ ਇੰਟਰਪ੍ਰੇਟਿੰਗ ਸਰਵਿਸ (TIS) ਨੂੰ ਫ਼ੋਨ ਕਰੋ ਅਤੇ ਉਹਨਾਂ ਨੂੰ ਤੁਹਾਡੀ ਤਰਫੋਂ 13 22 63 'ਤੇ Camden ਕੌਂਸਲ ਨੂੰ ਫ਼ੋਨ ਕਰਨ ਲਈ ਕਹੋ।

Italian | Italiano

Se ti serve aiuto per capire queste informazioni, telefona al Servizio traduzioni e interpreti (TIS) al numero 131 450 e chiedi di chiamare per tuo conto il Comune di Camden al numero 13 22 63.

Assyrian | كَثُونُكُمُ اللهِ

ى، ﺋﯩﺘﺘﯩﺒﻪﻥ ﺩﺍﺗﺒﺎﻧﺪﯨﺪﻩ، ﺋﺎ ﺟﯘﺧﺪﯨﺠﻪﻥ ﺩﺍﻧﺎ ﺋﻪﺩ ﺟﯩﻨﯩﺪﻩ، ﺑﻰ ﺧﺴﯩﺪﯨ ﺋﻪﺟﻦ ﺗﺠﯩﺪﻩﭖ ﺋﯩﺪ ﺳﯩﺪﻩﭖ ﺋﯩﺪ ﺩﺍﺭ (TIS) ﺟﯩﺪ ﺗﯧﺪﯨﺪﻩ، ﺋﯩﺪﻩ 131 450 ﺋﯩﺪﻩﻝ ﺗﯩﺪﻩﭖ ﺋﯩﺪﻩ ﻣﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺋﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﯨﺪﻩﻝ ﺗﯩﺪﻩﻝ ﺗﯩﺪﻩ

Nepali | नेपाली

यदि तपाईंलाई यो जानकारी बुझ्न मद्दत चाहिन्छ भने कृपया 131 450 मा अनुवाद र दोभाषे सेवा (TIS) लाई फोन गर्नुहोस् र तपाईंको लागि Camden काउन्सिललाई 13 22 63 मा फोन गर्न लगाउनुहोस्।

Serbian | Српски

Ако вам је потребна помоћ да бисте разумели ове информације, позовите Службу за писмено и усмено превођење (TIS) на 131 450 и замолите да вам назову Општину Camden на 13 22 63.

Hindi | हिन्दी

यदि इस जानकारी को समझने में आपको सहायता की आवश्यकता है, तो कृपया अनुवाद एवं दुभाषिया सेवा (TIS) को 131 450 पर कॉल करें और उन्हें आपकी ओर से Camden काउंसिल को 13 22 63 पर कॉल करने के लिए कहें।

Croatian | Hrvatski

Ako trebate pomoć da biste razumjeli ove informacije, nazovite Službu za prevođenje i tumačenje (TIS) na 131 450 i zamolite da vam nazovu Općinu Camden na 13 22 63.

Greek | Ελληνικά

Εάν χρειάζεστε βοήθεια για να καταλάβετε αυτές τις πληροφορίες, τηλεφωνήστε στην Υπηρεσία Μετάφρασης και Διερμηνείας (TIS) στο 131 450 και ζητήστε τους να καλέσουν τον Δήμο Camden στον αριθμό 13 22 63 για λογαριασμό σας.

Maltese | Malti

Jekk għandek bżonn għajnuna tifhem dan it-tagħrif, jekk jogħġbok ċempel lis-Servizz tat-Traduzzjoni u I-Interpretar (TIS) fuq 131 450 u staqsihom iċemplu lill-Kunsill ta' Camden fuq 13 22 63 għan-nom tiegħek.

Filipino

Kung kailangan mo ng tulong sa pag-unawa ng impormasyong ito, mangyaring tumawag sa Translating and Interpreting Service (TIS) sa 131 450 at hilingin sa kanila na tumawag sa Camden Council sa 13 22 63 para sa iyo.

German | Deutsch

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