

Addressing Affordability for Water Infrastructure

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Outline

- Introduction
- Three Waters Infrastructure Deficit
- Addressing Affordability

Introduction

- Three Waters consume a high proportion of Local Authorities budgets
- New national requirements/standards are going to increase funding requirements
- Preliminary feasibility often determines infrastructure requirements 'unaffordable'
- Take a more detailed look at to how affordability is determined and what it is required to resolve it

Infrastructure Deficit

- Local Authorities are the primary providers and regulators of three water services (drinking water, stormwater, wastewater)
 - Spend ~\$10b pa on provision of all services
 - DIA reports indicate \$3.5 - \$5b infrastructure requirements to meet new standards
- Three Waters review – new centralised regulatory framework

Addressing Affordability

- Determining Costs
- Overlaying accessible financing
- Analysing ratepayer affordability
 - Exploring different rating mechanisms (user based charging)
- Alternative revenues & cost reductions
 - Private sector capital
- Government support

