

Submission to ESCOSA

Re: City of Tea Tree Gully as a licensed retailer under the Water Industry Act to provide waste water services via a CWMS

12 September 2019
Mr & Mrs P & Y Tiss

Summary: As residents of Banksia Park for 35 years our major concern in the change to legislation is the authority it gives to City of Tea Tree Gully (CTTG) to recover the full cost of operating the CWMS from users of the service. The resultant financial impact on affected residents/owners of properties/land is not sustainable into the future with considerable capital and ongoing costs required to upgrade, expand and renew ageing and obsolete infrastructure. Perpetuating an ageing CWMS (over 50 years old) is neither sound planning or desirable in a metropolitan area and contradicts Development Principles embraced both at the State and Local level (Attachment 1).

State-wide and Local level planning documents dating back to the 1960's and to the present-day state that septic tanks are not desirable in the Metropolitan area.

Note the 2018 CTTG Development Plan states:

“Development should not occur without the provision of adequate utilities and **services that are capable of accommodating the increased load associated with development including:** Electric and water supply, drainage and stormwater systems, waste disposal, **effluent disposal systems**, roads telecommunication, social infrastructure, gas services.

The change in development regulations and rezoning of the CWMS areas to R1 has created an environment where higher density housing is expected to occur in an area that was established as low density housing, (typically large block, small houses); many subdivisions and demolitions taking place today are placing pressures on the ageing CWMS infrastructure. The capital required to upgrade CWMS to accommodate new housing, under this legislative change will be passed on to current users. Residents/owners living in the area for over 30 years are sick and tired of financing poorly conceived planning decisions. For the past 15-20 years CTTG has placed a levy on CWMS users stating that they are raising capital to convert properties to a mains sewerage service. Now CTTG inform that plans have changed and users have to foot the bill for redevelopment and upgrade of the CWMS as mandated by this legislative change to be **useable for decades to come.**

Prior to the legislative changes the CTTG subsidised the operation of the CWMS from general rates which they estimated to be \$161 per connection. Without this subsidy the current flat rate charge for CWMS is \$650 per annum (regardless of the capital value of the property) per property with increases per annum over the next four years to reach full cost recovery which is estimated to be \$881 in 2022-23 (CTTG estimates full cost recovery \$3.6m 2018-19). This charge is on top of the property general rates collected calculated on the capital value. As the capital value of majority properties in the CWMS area is around \$400,000 (current real estate figures put the selling price as median \$388,000 for Banksia Park), the relative cost for sewerage services will be **double** that of neighbours connected to sewer on opposite sides of the street with similar capital valuations.

CTTG CMWS: ASSET or LIABILITY

The CTTG CWMS servicing approx. 4,700 properties (12,400 people) appears to be an anomaly situation, an anachronism within the built-up metropolitan area and only 16 -18 km from the CBD. It has also become apparent that following the rezoning of the CTTG CWMS areas to R1 that higher density housing projects are going ahead placing pressure on a sewerage system originally conceived for lower density development. ESCOSA change to legislation legitimises CTTG charging current CWMS users a capital component to expand/upgrade/renew an ageing CWMS infrastructure to render it fit for purpose to accommodate higher density housing, rather than transition users to mains sewer services. State level and local level planning principles are being compromised and/or contradicted with the very existence of a CWMS operating within the Metropolitan area. Suburbs with similar topography (Golden Grove, Greenwith, Wynn Vale, St Agnes, parts of Redwood Park etc) which abut areas serviced by CTTG CWMS are all on mains sewerage. The CWMS area was developed a decade prior and residents' question whether the use of septic tank and CWMS was appropriate even at that time. Regardless of whether original planning was ill conceived or not, perpetuating the current situation into the future is untenable.

There are considerable environmental and public health risks in using a CWMS in what will be a higher-density housing area in the future. There is currently high risk of pollution of groundwater and storm water in the many km of ageing infrastructure of current pipework. Higher density housing will only place more pressure as more and more connections are added. The Public Health Act covering the installation of septic tanks does not adequately address risks associated with high density usage of this kind of system. It is also apparent that the more advanced septic systems (biocycles) which allow grey water to be dispersed on the property (i.e. do not need a common effluent) are not compliant where the land mass to the house size is unable to disperse the grey water without runoff into the street. It is evident by just walking the streets of CWMS area in CTTG that blocks as small as 400 squares are being subdivided accommodating housing often with 2 bathrooms (i.e. family homes).

It is clear that CWMS areas in the CTTG are undergoing urban renewal without the benefit of a whole of Government approach in the redevelopment to higher density housing, contrary to what has been enjoyed by similar ageing suburbs in other areas of the city that have undergone this type of transformation (Oakden comes to mind). A piecemeal approach to planning where shifts in legislation prevent infrastructure development adopting more advanced technologies creates risks to health and holds back development opportunities that embrace a visionary approach.

Options to transition to mains sewerage:

1. On a case by case basis: The option of individual properties connecting to mains sewerage via this method is currently encouraged by CTTG. This option is beyond the financial reach of residents. Costing to voluntarily connect has been tested by some residents applying to ESCOSA. One property owner, one street away from mains sewerage was quoted between \$22,000 –\$ 42,000. This cost involved putting pipes across another property using an easement. Costs for individual properties vary depending on whether mains sewer pipes are accessible. The undesirable use of easements to place main sewer lines across private property creates public health risks and difficulties for future maintenance/upgrade. Many resident/owners are ageing, on low fixed income and/or pensions and unable to secure loans so the option of converting to mains is not financially feasible. Some long- term residents would argue that they have already contributed sufficient capital over the past 15 years via levies imposed by CCTG for the purpose of converting to mains sewerage with very little evidence that this has actually occurred anywhere.

2. Wait for redevelopment opportunities: As properties with septic tanks age, redevelopment (which has already commenced) and subdivision may result in more properties connecting to mains sewerage with capital being raised on a case by case basis via the developer and passed onto the new owners. The problem with this is that there is no onus on developers to connect to mains and an initial cheaper connection charge via CWMS (which is already happening) might persuade developers (maximising profit) to use this option, placing more pressures on the system and increasing risks associated with this type of sewerage system. Alternatively, if developers do transition to mains sewerage, there will be a shrinking customer base to maintain and manage properties left on the CWMS system, which no doubt requires a critical mass if it is to remain financially viable. This catch 22 is a travesty, and scandalous in a rational modern world where customer safety and standards of service are meant to be upheld by the democratically elected authorities. We believe that the ESCOSA legislation is meant to ensure customer safety with appropriate levels services. We would argue that high density housing on CWMS is neither safe, cost effective or efficient. Complaints to relevant Ministers and CTTG by individual residents have been met with a “passing the buck” mentality.
3. Whole of Government approach to planning and development to guide transition to mains sewerage services: the redevelopment of the CWMS pockets of land in CTTG needs visionary planning to ensure liveable neighbourhoods are developed that link in seamlessly to their adjacent more modern counterparts. Substantial capital will be required to transition properties to mains sewerage to ensure mains pipes are expanded to all streets currently on the CWMS. Grants or low interest loans could be made by available either to SA Water or CTTG or both by State Government (via ESCOSA or another overarching authority) conditional on a partnership arrangement between the two water retailers transitioning the current users of CWMS to mains sewer within a set timeframe. This could be incorporated into the CTTG and SA Water’s Asset Management Plans as required by ESCOSA and monitored for compliance.

Investing money into communities to ensure well-coordinated development planning and appropriate infrastructure development is not unprecedented both at the State and Federal level of Government.

Sourced from the LGASA website:

“In August 2013 LGASA lobbied State Government to secure additional Federal Infrastructure funding to support/upgrade the 172 CMWS in SA. This followed the \$20 Million provided by the Howard Government in 2007 for expansion or upgrading CWMS for regional/rural areas”

Most of the CWMS in SA are appropriately located outside the metropolitan area in regional or rural locations and have received varying degrees of subsidy from State and Federal funding under Regional Development initiatives. Successful funding bids to upgrade gravitate to rural/regional areas.

Media release: In 2017 the State Government committed to investing more than \$47 Million over 10 years to support CWMS in rural/regional areas extending the state/local government CWMS subsidy funding partnership.

Why isn’t some of this funding available to convert CTTG CWMS to mains sewer?

The CTTG CWMS is inappropriately located in a metropolitan area which is undergoing redevelopment to higher density housing. **Surely a similar financial arrangement could be made by Government to support the conversion of CWMS to mains in CTTG rather than perpetuate an obsolete sewerage system, compromise sound planning practices (that apply to metropolitan areas) and disadvantage a small sector of the population in what was once an affordable place to live.**

Attachment 1

Extracts from TTG Council Development Planning Documents

TTG Development Plans from 1965 onward into the 70's and 80's draw on the general State level Planning objectives

- “The direction of the future expansion of the metropolitan area is influenced by the Mt Lofty ranges and the sea which restrict development to the East and West and by the cost of providing water supply to hilly land and to low lying coastal areas.
- “septic tanks are used where sewerage is not available.....the widespread use of septic tanks within the metropolitan area is not desirable”.
- Sewage services cannot be supplied economically in the Mount Lofty Ranges or on the face of the ranges overlooking the metropolitan area.....In other areas sewage services cannot be provided economically unless there is substantial development and a capital contribution is made toward the cost.

At this time the hilly suburbs known as Tea Tree Gully, Banksia Park and Fairview Park and parts of Redwood Park, Vista etc were being developed (with roadways, schools and commercial area) creating over 4000 blocks of residential land. Septic tanks installation predominated supported by the common effluent system. The dwellings initially were predominantly of single storey development with one bathroom on larger blocks of land. Underground water and gas supply with overhead electric power and telephone lines were also infrastructure developments for this area at this time. At this time CWMS services were provided out of general rate collection. Owners were responsible for emptying their own septic tanks.

TTG Council area 1997 Development Plan is informed by the Development Act of 1993 and refers to the growing and changing population demographics and demand for higher density housing.

- Maintains the objectives with regard the undesirability of septic tank usage in Metropolitan areas.
- The guidelines for **non-complying developments for the Tea Tree Gully Council Area** includes
 - “Development beyond the capacity of Councils Common Effluent Drainage Scheme (CED Scheme)”

At this time rules and regulations for maintaining the Common Effluent system put the onus on owners to empty their septic tanks and to clear any pipeline blockages connecting to the common effluent system arising on property owners land. Blockages on the mainline effluent pipes on land deemed to be council property was cleared by council, but only after the owner experiencing the problem had proven that their side of pipes were clear possibly indicating that maintenance of the system was to be responsive rather than planned or preventative.

TTG Council area 2006 Development Plan

Objectives for the Residential Zone : An area which is residential in character comprising of a range of housing types and a range of allotment sizes that are complementary to the residential environment with pleasant streetscapes, landscaping and local open spaces

- Residential areas which exhibit a character of primarily one and where appropriate two-storey development
- Residential areas that exhibit a high level of amenity
- Principles of Development Control
 - Form of development
 - 1) A range of different dwelling types should be located throughout the zone to meet the diverse housing needs of the population
 - 2) Development should be of one and two storey detached, semi-detached row and group dwellings.....
 - 3) a diverse housing stock should be achieved in the Residential Zone area by
 - development of areas and allotments that are vacant or under-utilized
 - redevelopment of existing poorer quality housing: and
 - amalgamation or re-subdivision where necessary to ensure coordinated and efficient site development.

Non-complying developments listed in the 2006 Development Plan reiterates:

non-complying developments for the Tea Tree Gully Council Area includes

- “Development beyond the capacity of Councils Common Effluent Drainage Scheme (CED Scheme)”

The 2006 Development Plan reflects State Planning guidelines to increase density of housing and this is applied across all area of TTG and includes residential areas serviced by the CMWS. There is no detail regarding what constitutes “development beyond the capacity of Councils Common Effluent Scheme”. Empirical evidence shows demolition and subdivision of single blocks to 2 or more building blocks accommodating single, two storey, and cluster housing in areas serviced by CWMS, accompanied by sewerage seepage which undoubtedly affects health, groundwater and pollutes the many creeks which are natural stormwater catchment channels.

TTG Council Development Plan 2018

Principals of Development Control for Infrastructure:

Development should not occur without the provision of adequate utilities and **services that are capable of accommodating the increased load associated with development including:**

Electric and water supply, drainage and stormwater systems, waste disposal, **effluent disposal systems,** roads telecommunication, social infrastructure, gas services.

Residents are concerned that the onus for financing the provision of a capable CWMS (i.e. expanding infrastructure) to accommodate increased loads associated with development will unfairly financially burden current users.