



Waterways & Drainage Charge

Frequently Asked Questions

August 2020

What does Melbourne Water do?

We manage and protect the city's major water resources, including our water storage reservoirs and how drinking water is supplied to homes and businesses. We're also responsible for reliable sewerage, managing more than 24,000 kilometres of rivers and creeks, waterway treatment systems, wetlands and drainage and flood management. We're working on projects to green our city and enhance local creeks, while using the sewage treatment process to generate energy and recycle water.

What is the Waterways and Drainage Charge?

More than two million property owners pay the Waterways and Drainage Charge throughout the Port Philip and Westernport Region each year. It works out to be only 28 cents per day for residents within the Urban Growth Boundary and just 16 cents per day for residents outside the Urban Growth Boundary.

By paying the Charge, you are enabling us to enhance life and liveability across Greater Melbourne and the surrounding region, from Macedon Ranges down to Phillip Island.

The Waterways and Drainage Charge funds works such as:

- Stormwater drainage and works to reduce flooding.
- Programs to reduce stormwater pollution entering rivers, creeks and oceans.
- Waterway erosion and bank stabilisation works.
- Weed control and revegetation works along waterways.
- Ensuring new developments do not increase stormwater run-off and cause floods, or degrade waterways.

Your water bill lists this charge under 'other authorities' charges'.

Everyone benefits either directly or indirectly from healthy waterways and a safe, reliable drainage system.

What is the Urban Growth Boundary?

The Urban Growth Boundary is a government tool used to manage the expansion of Melbourne. The boundary defines where development can and cannot occur, protecting Melbourne's highly valued open spaces, farming, and conservation and recreation areas.

Greater Melbourne is the area within the Urban Growth Boundary. Example council areas outside the UGB are Macedon Ranges, Greater Geelong and Bass Coast.

Who benefits from the Charge?

Works are prioritised on a whole-of-region approach for the greater good of the region. Works delivered upstream will deliver positive outcomes to river health in other places.

Spreading the costs across the whole region is the fairest possible approach as everyone benefits from healthy waterways and a safe and reliable drainage system.

Each year, we carry out works across each of the following 38 Local Government Areas:

<ul style="list-style-type: none"> • Banyule • Bass Coast • Baw Baw • Bayside • Boroondara • Brimbank • Cardinia • Casey • Dandenong • Darebin 	<ul style="list-style-type: none"> • Frankston • Geelong • Glen Eira • Hobsons Bay • Hume • Kingston • Knox • Macedon Ranges • Manningham • Maribyrnong 	<ul style="list-style-type: none"> • Maroondah • Melbourne • Melton • Mitchell • Monash • Moonee Valley • Moorabool • Moreland • Mornington Peninsula 	<ul style="list-style-type: none"> • Nillumbik • Port Philip • South Gippsland • Stonnington • Whitehorse • Whittlesea • Wyndham • Yarra Ranges • Yarra
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What's happening in my area?

To find out what activity Melbourne Water is undertaking in your area, including waterways and drainage works, please visit www.melbournewater.com.au/nearme

I don't live in metropolitan Melbourne. Why should I pay?

The waterways and drainage boundary extends from high up in the Yarra Ranges across to Ballan in the west, right across to Tarago in the east, and includes Phillip Island and the Mornington Peninsula in the south.

Everyone in Greater Melbourne benefits from a well-managed drainage network and healthy waterways. The Waterways and Drainage Charge is the fairest way of funding these services and is approved by the independent pricing regulator: the Essential Services Commission.

I have a water/septic tank. Why should I pay?

The Waterways and Drainage Charge is not related to water and sewerage charges. The charge is a separate charge collected by the local water utilities on Melbourne Water's behalf.

How much is the Waterways and Drainage Charge?

The price you'll pay will depend on whether you are a residential customer, a rural customer or a non-residential customer.

Property type	Annual charge 2020-21
<p>Residential</p> <p>The residential Waterways and Drainage Charge is billed to all residential properties located within the Urban Growth Boundary (UGB).</p> <p>Urban areas within the UGB generally benefit from our drainage and flood protection services as well as our waterway services. Most of the major pipe and channel drainage systems benefit properties within the UGB.</p>	<p>\$104.32</p>
<p>Non-residential</p> <p>All properties within the UGB and major airports that are not classified as residential are treated as non-residential. These are broad in their nature and include commercial operations like warehouses, factories, shops, office buildings, hotels and airports.</p> <p>Non-residential customers inside the urban growth boundary pay a charge based on the value of their property (Rate in \$NAV) subject to a minimum charge of \$156.72.</p> <p>There are two exceptions: customers within the Urban Growth Boundary extension that occurred in 2010 and customers included in the 2005 extension of Melbourne Water's service area boundary (including Mornington Peninsula Shire) are subject only to the flat charge of \$156.72</p>	<p>Rate in \$NAV: \$0.4447</p> <p>Minimum charge: \$156.72</p>
<p>Rural</p> <p>The rural Waterways and Drainage Charge is billed to customers living within our Waterways Management District, but outside the current Urban Growth Boundary.</p> <p>Rural areas benefit from our waterway services and some aspects of flood protection. Because of this, a lower charge is billed to rural customers to reflect the lower level of drainage and flood protection services compared to urban customers.</p>	<p>\$57.28</p>

Additional service areas

Special drainage charges are applied to property owners in the Patterson Lakes and Koo Wee Rup–Longwarry Flood Protection Districts for works and services that relate specifically to these areas.

Property type	Annual charge 2020-21
<p>Patterson Lakes</p> <p>User pays prices are applicable in the Patterson Lakes special drainage area for higher levels of services provided in the Tidal Waterways communities and the Quiet Lakes communities of Lake Legana and Lake Illawong.</p> <p>Prices charged to individual properties in the Tidal Waterways will depend on type of mooring allocation residents hold. All residents with a mooring allocation will be charged annual maintenance costs.</p> <p>An annual Bore Flushing price is charged to individuals properties within the Quiet Lakes that border either Lake Legana or Lake Illawong.</p>	<p>Properties with access to timber jetty: \$1,484.00</p> <p>Properties with access to concrete jetty: \$1,031.00</p> <p>Jetty annual maintenance: \$135.56</p>
<p>Koo Wee Rup–Longwarry Flood Protection District</p> <p>Landowners in the Koo Wee Rup–Longwarry Flood Protection District pay a special precept rate which funds the drainage services provided exclusively in the area. The Koo Wee Rup–Longwarry Flood Protection District was once a swampland, which was drained in the 1800s.</p> <p>Purpose-built drainage infrastructure has enabled people to live and farm in the district and helps to protect the area from floods.</p> <p>Properties in the district do not pay the general Waterways and Drainage Charge that applies to properties in the other parts of Melbourne Water’s operating region.</p> <p>Pricing reform in the Koo Wee Rup–Longwarry Flood Protection District commencing in 2013 and concluding in 2023 will see Divisions A and B replaced with a single cost reflective price.</p> <p>The previous rates in the 1990 Net Annual Value terms have been replaced with unique price paths for individual properties to transition to the single cost reflective price. During this period the cost of service will be subject to annual CPI adjustments less 1% for service efficiency targets.</p>	

Has my charge gone up since last year and if it has, why?

As a provider of an essential service, our revenue is set by the Essential Services Commission – Victoria’s independent regulator. Any price increases are in line with Essential Services Commission approved prices movements plus inflation.

What is an occupancy?

Charges are to be applied to the rateable land in respect of each separate occupancy for both residential and non-residential properties.

Retail water businesses rely on council classifications as to what constitutes a 'separate occupancy' for the purposes of applying charges.

How is the Net Annual Value (NAV) of each property produced?

The current NAV value of your property as determined by council, is converted to its value in 1990 using Victorian Valuer-General indices. This 1990 value is multiplied by the rate determined by Melbourne Water and approved by the Essential Services Commission each year to establish your annual charge rate.

What can I do if I can't afford the Charge?

Your retail water company will be able to assist you with ways to manage your bill, including to set up a payment plan.

What's my legislative requirement?

Section 259 of the *Water Act 1989* (Part 13) permits Melbourne Water to levy waterways and drainage charges on properties within its "Waterway Management District".

All properties deemed rateable under the meaning of *the Local Government Act 1989* are liable for the Waterways and Drainage Charge. So, if you pay council rates, the charge will apply.

Water Act 1989, Section 259, parts 9 and 10 state:

(9) An Authority may in respect of a property, separately impose fees under a tariff or development tariff in respect of each separate occupancy on that Property.

(10) In determining what constitutes a separate occupancy, the Authority must use the relevant principles set out in the *Valuation of Land Act 1960*.

NB A separate occupancy is a dwelling, either occupied or vacant, on each council rated property.

For more information

For more information please visit melbournewater.com.au/wwdc



For an interpreter, please call the Translating and Interpreting Service (TIS National) on 13 14 50