



# CENTRAL DARLING SHIRE COUNCIL

March 22, 2024

## **Council lobbies over unaffordable water prices**

Central Darling Shire Council is facing a difficult situation with its water utilities. Under the current arrangements Council is not in a financial position to fully operate and maintain local water utilities, without financial assistance from the State and Federal Governments. A proposal has been suggested to dispose of all Council owned water assets to the State Government to get rid of the financial burden.

Council provides a water service to the towns of Wilcannia, Ivanhoe, and White Cliffs. The town of Menindee does have a water service; however, it is provided by Essential Water.

Water infrastructure is essential for each town, but with a Shire population of 1725 people the money collected from water users is not covering the running costs.

With the system for operating the water utilities being based on money collected from users Council believes its water charges are among some of the highest priced in New South Wales. This comes as it struggles to operate and maintain services to three towns with a very low number of water users. The situation is even more alarming because the Shire consists of low-socio economic and disadvantaged communities with unemployment issues. All this means that water is at the point of being unaffordable for residents.

At the Western Alliance of Council Board meeting, held on Friday 15 March, the Council Administrator, Bob Stewart, outlined the situation to the Productivity Commissioner. Mr Stewart spelled out that Council was not in financial position, based on model of revenue collected by users, to fully operate and maintain local water utilities, without financial assistance from governments.

As a result of the issue Council is seeking an alternative model for Council water assets. The proposal is to dispose of all Council owned water assets to the State Government to get rid of the financial burden. However, Council would continue to operate and maintain these water assets on behalf of the State Government on a contractual arrangement.

Historically, any capital improvements to water and sewer assets have been funded by other tiers of governments, due to Council's inability raise revenue.

At the March Council meeting a report on the matter was received by the Council.

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