



GENERAL CORRESPONDENCE:
Locked Bag 23
GRAFTON NSW 2460

6 May 2005

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Copmanhurst Office
PO Box 434
GRAFTON NSW 2460
Tel: 02 6642 2855
Fax: 02 6643 1573

The Committee Manager
Standing Committee on Public Works
Parliament House
Macquarie Street
SYDNEY NSW 2000

Grafton Office
Locked Bag 23
GRAFTON NSW 2460
Tel: 02 6643 0200
Fax: 02 6642 7647

Dear Sir

Clarence Valley Council was formed on 25 February 2004 by the union of Grafton, Maclean, Pristine Waters, Copmanhurst Councils and Clarence River and North Coast Water County Councils.

Maclean Office
PO Box 171
MACLEAN NSW 2463
Tel: 02 6645 2266
Fax: 02 6645 3552

The provision of adequate infrastructure for residents and visitors is one of the major challenges facing the Council. In the hinterland areas the road infrastructure system contains 138 timber bridges and 2,598 km of road in various conditions. In the coastal towns and villages the significant growth rates have outstripped Council's capacity to provide infrastructure for a range of services. Many government services face a similar situation and an inquiry into this issue by the Standing Committee is indeed timely.

Pristine Waters Office
PO Box 51
SOUTH GRAFTON NSW 2460
Tel: 02 6641 7200
Fax: 02 6641 7271

It is apparent that a whole of government approach is needed, particularly in the areas of regional planning, service levels and funding if these challenges are to be met.

BUSINESS UNITS:
North Coast Water
PO Box 211
MACLEAN NSW 2463
Tel: 02 6645 3300
Fax: 02 6645 3630

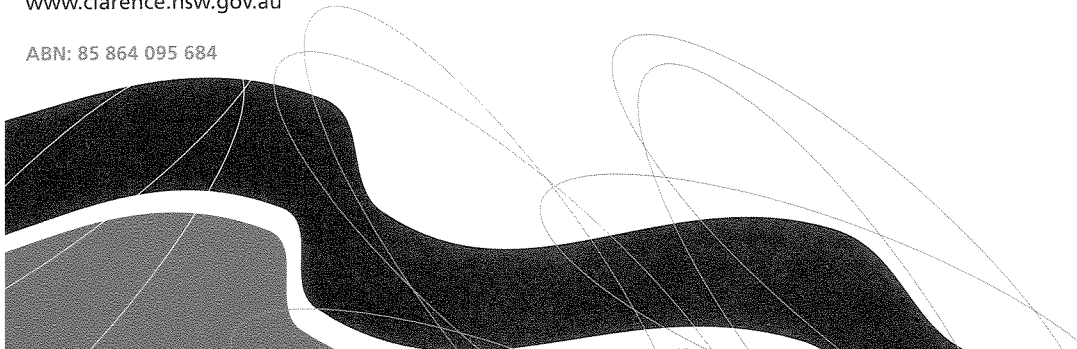
Please find attached Council's submission which focuses on just three aspects of service provision, those of sewerage, water and community services.

Clarence Valley
Floodplain Services
PO Box 436
GRAFTON NSW 2460
Tel: 02 6642 3277
Fax: 02 6642 3108

Please do not hesitate to contact me if you consider Council can be of any further assistance.

Yours faithfully

Ken Boyle
ACTING GENERAL MANAGER



CLARENCE VALLEY COUNCIL

SUBMISSION TO: LEGISLATIVE STANDING COMMITTEE

Infrastructure Provision in Coastal Areas

ISSUE: DEMOGRAPHICS

Growth

The following table provides ABS details of population growth for Northern Rivers councils 1997 to 2003.

Estimated Resident Population LGA NSW				
(Source ABS - Regional Population Growth - 3218.0 2002-03)				
(Please note these statistics have not been adjusted for the minor loss of population in the amalgamation of Clarence Valley Council)				
Northern Rivers	1997	2001	2002	2003
Ballina	35,185	38,159	38,889	39,266
Byron	27,301	29,689	30,018	30,404
Copmanhurst	4,185	4,573	4,618	4,627
Grafton	17,525	17,432	17,341	17,238
Kyogle	9,953	9,817	9,779	9,673
Lismore	43,486	43,064	43,070	43,045
Macleean	15,761	17,045	17,365	17,633
Pristine Waters	10,779	11,035	11,073	11,098
Richmond Valley	20,940	21,028	21,049	20,912
Tweed	67,345	74,577	76,229	78,249
	252,460	266,419	269,431	272,145
Clarence Valley	1997	2001	2002	2003
Copmanhurst	4,185	4,573	4,618	4,627
Grafton	17,525	17,432	17,341	17,238
Macleean	15,761	17,045	17,365	17,633
Pristine Waters	10,779	11,035	11,073	11,098
	48,250	50,085	50,397	50,596

The Clarence Valley has sustained an estimated rate of growth for that period of 4.86%. However the part of the valley that is the area of the former coastal council of Maclean had a much stronger growth rate of 11.87% more in line with other coastal areas of Tweed, Byron and Ballina.

Projections provided by DIPNR expect the population growth to continue into the future at least at current rates.

Profile

Population Profile Clarence Valley (Source: ABS 2001 Census)

Age Groups	
0-4	6.1%
5-9	7.4%
10-14	8.1%
15-19	6.3%
20-24	3.7%
25-39	16.5%
40-59	27.9%
60-69	11.3%
70+	12.7%
Total Population 18+	73.9%
Overseas visitors	0.4%
Total	100.0%
Median Age	41

Income	Persons	%
Persons earning less than \$500 pw	27214	71.2%
Persons earning \$501-1000 pw	6579	17.2%
Persons earning more than \$1000 pw	1739	4.6%
Total including not stated and overseas visitors	38212	100.0%
Educational Institutions Attending	Persons	%
Pre School	769	1.6%
Infants/Primary	5035	10.3%
Secondary	3725	7.6%
Technical and Further Educational Institution	1297	2.7%
University or other Tertiary Institutions	483	1.0%

ISSUE: INFRASTRUCTURE PROVISION

Meeting the infrastructure needs of the community in the Council area places extreme pressure on resources and this is typically exemplified in the areas of water and sewerage service provision.

Sewer

The following table shows details of the proposed sewer upgrading works required in Council's area.

Project	Cost (Millions)
Grafton Sewerage Augmentation	\$8.9
Grafton Re-use Schemes	\$4.6
Maclean, Lawrence, Townsend, Ilarwill Augmentation	\$15.81
Iluka Sewerage Scheme	\$20.5
Yamba Sewerage Augmentation	\$12.90
Total sewerage upgrades (by 2008/09)	\$62.71

A critical factor in each of these schemes is the lead time. Some of the projects have been in the planning and development phase for more than 5 years, some as long as 10 years. During that time as the estimated cost of construction has risen significantly, the Government subsidy available to assist Council has been reducing. The combined effects of changes to approval processes, environmental management and the strong growth rates have been crippling.

As the Government subsidy for works continues to reduce, the majority of construction costs will be shared by developers under Section 64 contribution plans and local residents by way of rates. Construction subsidy is available under the Country Towns Water Supply and Sewerage Scheme for the Grafton Sewerage Augmentation and Iluka Sewerage schemes only; however, the revised funding guidelines issued in June 2004 substantially reduced the assistance. With the Iluka scheme for example, the expected subsidy is \$2.9 million less than Council had originally expected under the former guidelines.

Council has had Section 64 plans in place for most schemes for many years and has recently revised estimates and contribution rates. On public display at the moment are new plans which will require contributions as follows:

- \$8,000 /ET for Maclean, Ilarwill, Iluka, Lawrence, Townsend, Yamba, and
- \$4000 /ET for Junction Hill, Grafton, Clarenza and Coutts Crossing areas.

Commencing in the 2005/2006 financial year Council is establishing a combined sewer fund covering all schemes and the expected residential sewer rate for 2005/06 will be \$430.

Water

“North Coast Water” operates as a Business Unit of the Clarence Valley Council and is responsible for the implementation of the Regional Water Supply Strategy designed to protect the Nymboida and Orara Rivers and provide long term water supply security for the Clarence Valley/Coffs Harbour region.

The north coast region of NSW experiences above average population growth patterns and during the development phase of the regional strategy, projected population trends over a 50 year period were taken into account.

In water supply terms, the sustainable development of the Clarence Valley Council area is linked to improved water cycle management. Council has a number of sound strategies in place to meet the challenges associated with an expanding population.

These strategies include the integration of alternate water sources and reduced consumer demands via improved water efficiency measures that extend the life of infrastructure and reduce dependency on natural river systems.

The Clarence Valley Council component of the regional growth projections show a doubling of the Council’s population by 2,046 and coupled with this trend will be an increasing demand for improved facilities and services.

Regional Water Supply Cost Summary

Phase 1 – Development/Planning	\$6.20 M
Phase 2 – Design and Stage 1 Construction Work	\$80.65 M
Phase 3 – Stage 2 Construction Work	<u>\$57.00 M</u>
	<u>\$143.85M</u>

The above summary is an excellent example of the significant costs associated with the provision of vital infrastructure for an expanding population.

The NSW State Government has provided a subsidy for the Phase 1 Development and Planning Stage and is currently making a contribution of 28.65% towards Phase 2 construction work which is nearing completion. Local Government is responsible for the balance of funds required.

Phase 3 construction work is due to commence later this year and financing of this phase was originally based on a continuation of similar subsidy arrangements.

Recent changes to the State Government funding policy could result in a reduction in subsidy of \$9 to \$10 million for the Stage 2 construction work.

This shortfall will have to be met by local government in the form of additional loan funds which places an even greater financial burden on Council and a community that is already providing the majority of funds for important water supply infrastructure.

While the Regional Water Supply Strategy which encompasses an innovative water efficiency program, is designed to respond to expected growth within the Clarence Valley Council area, the expected population projections highlight the challenges facing the Clarence Valley Council in addressing a raft of infrastructure and servicing needs associated with an expanding area of NSW.

SOCIAL SERVICES

Human Services Infrastructure

Critical issues in the supply of human service infrastructure. Facilities need to be:

- integrated into the planning and recurrent funding for human service programs
- integrated into local and state government physical planning processes at the earliest possible stage
- located centrally near major commercial centres
- linked to transport
- linked with mobile services where appropriate.
- able to accommodate the necessary growth of buildings
- adaptable to changing demands and service models; and
- able to co-locate services but still allow for the independent operation of services.

Housing - Affordable Housing Stock

Clarence Valley attracts young families as well as people retiring to the area. Families with children especially first home buyers are often unable to compete with retirees in the coastal real estate market and hence move to more affordable housing in centres such as Maclean and Grafton and smaller more isolated villages. The residential rental market is inflated by the competition from the significant levels of tourism.

Clarence Valley Council along with other Councils in the Northern Rivers has identified the need to work with State Government and the private sector to address the supply of affordable housing. State/ Commonwealth funding of joint housing initiatives may facilitate more efficient use of both local and state government resources and allow local government to more effectively engage in developing and implementing strategies to increase the supply of affordable housing.

Transport

The lack of public rail and limited bus service infrastructure, the infrequency of existing transport services, and the rising price of petrol severely restricts the mobility of many people in Clarence Valley. Poor transport mobility limits access to community support services, employment, health services, government agencies, and entertainment.

Health Facilities – Community Health Centres

The Clarence Valley falls within the North Coast Area Health Service local hospitals and community health facilities lack the capacity to handle the demand created by the combination of a low socio-economic profile and a high population growth. The area has shortages in most fields of medicine and health services. Many residents have to travel out of the area for higher level health services. There is a need for an expanded level of recurrent services and a greatly enhanced flexibility.

The Clarence Valley area has critical shortages in community based health centres, sexual assault services, women's health centres, palliative care facilities and child and family health centres. Council provides the only Baby Health Centres.

The area usually incorporates its limited community health services into hospital facilities underlining to some extent the emphasis on treatment of disease rather than preventative health.

Police Stations

The NSW Police Service is unable to provide a 24 hour police station in the major growth area of Maclean/Yamba/Iluka where the population exceeds 17,000 people. Council, the community and the Local Member have been working with the Area Command to review the policing services in the coastal towns and villages and issues associated with the youth of those areas have been the focus of considerable effort in the past several months.

Children and Families

The supply of private child care centres is limited and there is a significant shortage in the supply of child care places for children under 2 years. This restricts early educational opportunities for children under 5 years of age and is a constraint on young women entering and remaining in fulltime employment, causing social and economic impacts within the community.

The Clarence has one neighbourhood centre which is based in South Grafton. Neighbourhood centres can provide a central location for sessional services and information and referral services. Neighbourhood/community centres provide a major component in community support systems especially in LGA's such as Clarence Valley with low income levels, high levels of unemployment, poor transport infrastructure and an under supply of human services. It should be noted that even with suitable facilities Clarence Valley is unable to access recurrent funding from the State or Commonwealth for the viable operation of community information and support services.

Youth

The area has limited specialist facilities to provide social and health support services for young people between the age of 13 years and 24 years and access to recurrent funding is difficult to obtain. Similarly with or without facilities the area has been unable to access recurrent funding to operate youth facilities. Youth who are already disadvantaged by geographical isolation are more disadvantaged by the limited access to information and referral services and community and health support services.

Older People

Local private aged residential complexes provide limited infrastructure and services to support the ageing population. The area has an undersupply of hostel and nursing home accommodation for the current population by Commonwealth Health standards and no palliative care facility.
