

Tweed Shire Council Sewerage – Action Plan Page 1

Summary

In 2014-15, Tweed Shire Council implemented all the sewerage outcomes required by the *NSW Best-Practice Management Framework* and its performance has been [to be completed by Council].

Key actions from Council's Strategic Business Plan:

- Insert achievements for Key Action 1 here for Tweed Shire Council
- Insert achievements for Key Action 2 here for Tweed Shire Council

INDICATOR		RESULT ²		COMMENT/DRIVERS	ACTION
	Best-Practice Management Framework	Implemented all the Best Practice Required Outcomes ¹	Very good	Implementation demonstrates effectiveness and sustainability of water supply and sewerage business. 100% implementation is required for eligibility to pay an 'efficiency dividend'.	Prepare a new 30-year IWCM Strategy, Financial Plan & Report in accordance with the July 2014 IWCM Check List (www.water.nsw.gov.au) as the existing Strategic Business Plan is over 4 years old.
CHARACTERISTICS					
5	Connected property density	44 per km of main	Higher than the statewide median of 38	A connected property density below about 30 can significantly increase the cost per property of providing services.	
7	Renewals expenditure	0.4% Median ranking (3, 4)	Satisfactory	Adequate funds must be programmed for works outlined in the Asset Management Plan – page 3 of the 2014-15 NSW Performance Monitoring Report.	FOR INDICATORS 7 to 57 Where ranking is low, investigate reasons including past performance and trends, develop remedial action plan and summarise in this column.
8	Employees	2.5 per 1,000 props Lowest ranking (5, 5)	May require review		
SOCIAL – CHARGES					
12	Typical residential bill ³ (TRB)	\$782 per assessment Low ranking (4, 5)		TRB should be consistent with projection in the financial plan. Drivers – OMA Management Cost and Capital Expenditure.	
13	Typical Developer Charges	\$6310 per ET Median ranking (3, 2)	Good		
14	Non-residential sewer usage charge	150c/kL Median ranking (3, 3)	Satisfactory		
SOCIAL - HEALTH					
16	Sewerage coverage	99% High ranking (2, 1)	Good		
17	Percent sewage treated to tertiary level	98% Median ranking (3, 3)	Satisfactory		
18	Percent of sewage volume that complied	100% Median ranking (3, 3)	Satisfactory	Key indicator of compliance with regulator.	
19	Sewage treatment works compliant at all times	5 of 8		Key indicator of compliance with regulator.	
SOCIAL – LEVELS OF SERVICE					
21	Odour Complaints	0.4 per 1,000 props High ranking (2, 4)	Good	Critical indicator of customer service and operation of treatment works.	
22	Service complaints	6 per 1,000 props Median ranking (3, 2)	Satisfactory	Key indicator of customer service.	
23a	Average Duration of Interruption	95 minutes Median ranking (3, 3)	Satisfactory	Key indicator of customer service, condition of network and effectiveness of operation.	
25	Total Days Lost	3.1% Median ranking (3, 4)	Satisfactory		

1. Council needs to annually 'roll forward', review and update its 30-year total asset management plan (TAMP) and 30-year financial plan, review Council's TBL Performance Report and prepare an **Action Plan** to Council. The Action Plan is to include any actions identified in Council's annual review of its DWMS (Indicator 20) and any section 61 Reports from DPI Water. Refer to pages 27, 28, 107 and 111 of the 2014-15 NSW Water Supply and Sewerage Performance Monitoring Report.

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INDICATOR	RESULT	COMMENT/DRIVERS	ACTION
ENVIRONMENTAL			
26	Volume of sewage collected per property 263 kL Low ranking (4, 4)	Compare sewage collected to water supplied.	
27	Percentage effluent recycled 7% Low ranking (4, 3)	May require review Key environmental indicator. Drivers – availability of potable water, demand, proximity to customers, environment.	
28	Biosolids reuse 100% Highest ranking (1, 1)	Very good Key environmental indicator.	
32	Net Greenhouse gas emissions (WS & Sge) 410 t CO ₂ /1000 props Median ranking (3, 4)	Satisfactory Drivers – gravity vs pumped networks, topography, extent of treatment.	
34	Compliance with BOD in licence 100% Highest ranking (1, 1)	Very good Key indicator of compliance with regulator requirements.	
35	Compliance with SS in licence 100% Lowest ranking (5, 4)	May require review Drivers – algae in maturation ponds, impact of drought.	
36	Sewer main breaks and chokes 0 per 100km of main Highest ranking (1, 1)	Very good Drivers – condition and age of assets, ground conditions.	
37a	Sewer overflows to the environment 5 per 100km of main Highest ranking (1, 3)	Very good Drivers – condition of assets, wet weather and flooding.	
39	Non-residential percentage of sewage collected 25% High ranking (2, 2)	For non-residential, compare % of sewage collected to indicator 43 (% of revenue).	
ECONOMIC			
43	Non-residential revenue 17% Low ranking (4, 4)	May require review See 39 above.	
46	Economic Real Rate of Return (ERRR) 1.1% Low ranking (4, 3)	Satisfactory Reflects the rate of return generated from operating activities (excluding interest income and grants). An ERRR or ROA of ≥ 0% is required for full cost recovery.	
46a	Return on assets 1% Low ranking (4, 3)	See 46.	
47	Net debt to equity 0% High ranking (2, 2)	Good LWUs facing significant capital investment are encouraged to make greater use of borrowings – page 14 of the 2014-15 NSW Performance Monitoring Report.	
48	Interest cover 3 Highest ranking (1, 1)	Very good Drivers – in general, an interest cover of > 2 is satisfactory.	
48a	Loan payment \$196 per prop Median ranking (3, 1)	Satisfactory The component of TRB required to meet debt payments. Drivers – expenditure on capital works, short term loans.	
50	Operating cost (OMA) \$524 per prop Low ranking (4, 5)	May require review Prime indicator of the financial performance of an LWU. Drivers – development density, level of treatment, management cost, topography, number of discrete schemes and economies of scale.	Review carefully to ensure efficient operating cost.
52	Management cost \$172 per prop Median ranking (3, 4)	Satisfactory Drivers – number of discrete schemes, number of employees. Typically about 40% of OMA.	
53	Treatment cost \$187 per prop Low ranking (4, 4)	May require review Drivers – type and level of treatment, economies of scale.	
54	Pumping cost \$100 per prop Lowest ranking (5, 5)	May require review Drivers – topography, development density, effluent recycling.	
56	Sewer main cost \$54 per prop Median ranking (3, 3)	Satisfactory Drivers – topography, development density, effluent recycling.	
57	Capital expenditure \$160 per prop Low ranking (4, 3)	An indicator of the level of investment in the business. Drivers – age and condition of assets, asset life cycle.	

2. The ranking relative to similar size LWUs is shown first (Col. 2 of TBL Report) followed by the ranking relative to all LWUs (Col. 3 of TBL Report).
3. Review and comparison of the 2015-16 **Typical Residential Bill (Indicator 12)** with the projection in your Strategic Business Plan is **mandatory**.
In addition, if both indicators 46 and 46a are negative, you must report your proposed 2016-17 typical residential bill to achieve full cost recovery.