



Kingston Stormwater Quality in-lieu Contribution Scheme

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Securing reliable long-term funding streams to design, construct, operate, maintain and rehabilitate WSUD assets is a key challenge for many public organisations, notably Councils.

In this paper, we present an innovative stormwater quality in-lieu contributions mechanism designed to fund WSUD investments that are owned and operated by Council. The in-lieu mechanism is the first of its kind in Australia. We discuss how the Kingston in-lieu mechanism differs from stormwater quality offsets and developer charges in important ways that provide greater flexibility and funding certainty for Councils, and better outcomes for developers, the community, and receiving environments.

Developed by Kingston City Council with the backing of Melbourne Water, the stormwater quality in-lieu mechanism allows medium and high density residential developers to 'opt-in' to pay a fee to Council in-lieu of meeting all or a portion of their stormwater compliance obligations on-site. Council then uses these funds to invest in WSUD assets off-site that deliver equivalent or better stormwater quality outcomes than those required under BPMSG. These assets are typically large scale bio-retention systems with storage and reuse components treating 20 to 70 hectare catchments.

Kingston City Council is currently completing a two-year pilot of the off-site in-lieu stormwater mechanism with Melbourne Water support. The mechanism is forecast to raise in the order of \$14 million over the next 10-20 years depending on how many developers 'opt-in' to the scheme and land development rates in Kingston.

Evaluation shows the scheme has the potential to deliver equivalent or better stormwater quality outcomes at less than half the cost developers would incur to deliver BPMSG compliant stormwater treatment on-site.

Kingston will operate and maintain the off-site stormwater assets on public land. This means Melbourne Water and Kingston will be able to monitor and report on the performance of these assets and how well they are delivering on their BPMSG objectives, and rectify the asset if BPMSG is not being achieved. This compares to on-site stormwater mechanisms where there is generally limited further monitoring of BPMSG compliance after Council issues the Statement of Compliance.