

Revenue - Stormwater Management Policy

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1. PURPOSE

Councils have primary responsibility for stormwater management within their local government area. This includes managing both stormwater quality and quantity in their area and ensuring that potential negative stormwater impacts are not transferred across council boundaries.

In 2006, the addition of Section 496A to the Local Government Act 1993, made by the Local Government Amendment (Stormwater) Act 2005, enabled councils to make and levy an annual charge for Stormwater Management Services for each parcel of rateable land for which a Stormwater Management Service is provided. The charge applies to parcels of land categorised for rating purposes as “Residential” or “Business” (including all sub categories), not being vacant land or land owned by the Crown, or land held under a lease for private purposes granted under the Housing Act 2001 or The Aboriginal Housing Act 1998 or as defined further in this Policy.

2. STATEMENT

This policy provides the guidelines for administering the levying of the Stormwater Management Charge on eligible properties within the Shoalhaven City Council area in accordance with Section 496A of the Local Government Act 1993 and clauses 125A and 125AA of the Local Government (General) Regulation 2005.

3. PROVISIONS

Increasing urbanisation has resulted in a significant increase in impervious surfaces and has significantly increased the volume of stormwater flowing into urban waterways. These flows contribute substantial loads of litter, sediment and chemicals to urban waterways, as well as causing flooding in some areas.

Therefore, appropriate asset management (through maintenance and replacement of drains and stormwater treatment measures) and the harvesting and reuse of stormwater is becoming increasingly important. Stormwater management involves the use of structural (e.g., physical infrastructure and treatment techniques) and non-structural (e.g., education programs and monitoring) measures to both improve stormwater quality and mitigate excessive flows. This

contributes to pollution abatement, protection of aquatic ecosystems health and flood mitigation.

The purpose of the Stormwater Management Charge is to allow council to raise additional revenue to cover some or all of the costs of providing new/additional stormwater management services within the local government area (LGA). The Stormwater Management Charge will cover costs additional to those which have been previously funded from Council's general income.

3.1 Stormwater Management Charge restrictions:-

- The charge cannot be levied when Council has a stormwater related special rate or special variation in place for stormwater management or a drainage charge.
- The charge must not exceed the estimated cost of implementing any new/additional stormwater measures.
- The charge cannot be used for dealing with stormwater run-off from public land.

3.2 Land Eligible to be charged the Stormwater Management Charge

Shoalhaven City Council will apply the charge to parcels of rateable land categorised as Residential or Business under the Local Government Act 1993 within an urban area, that benefit from proposed new/additional stormwater management services. For this purpose "Urban" means land within a city, town or village. This may differ from the description of urban contained in Council's LEP. Shoalhaven City Council has identified cities, towns and villages by plotting such areas within Council's GIS mapping system. This system will be updated regularly by the Property Unit to accommodate newly created subdivisions and urban creep.

3.3 Land Exempt from the Stormwater Management Charge

- Public land, such as:
 - Crown land
 - Council owned land
- Land held under lease for private purposes granted under the Housing Act 2001 or the Aboriginal Housing Act 1998
- Vacant land, as in land containing no buildings, car parks or large areas of material such as concrete (i.e., no impervious surfaces)
- Rural residential or rural business land (i.e., land not located within a city, town or village)
- Land belonging to charities and public benevolent institutions
- Parcels of land already contributing to a drainage charge through a special rate or special variation where the primary purpose of the charge is stormwater management.

3.4 Change of Status part way through the year

If a parcel of land is vacant at the start of the rating period and a building is constructed on the land during the year, the charge will be applied from the commencement of the next rating quarter. Should the subject property be rated as a 'supplementary levy' in the current year, all rates and charges will be apportioned accordingly.

3.5 Charges to Apply

Limits are set as per the Local Government (General) Regulation 2005, Section 125AA:

- A flat fee for urban Residential and Business properties at \$25
- A flat fee for urban Residential and Business strata units at \$12.50

4. IMPLEMENTATION

The responsibility for the implementation and review of this policy shall be with the Director of Finance Corporate and Community Services.

5. REVIEW

The Finance Corporate & Community Services Group will review this policy:

- Directly prior to the Rate Levy for each new rating year; or
- As a result of a change in legislation that affects this policy

6. APPLICATION OF ESD PRINCIPLES

Apply Council's ESD principles in accepting appeals from ratepayers who believe they have been incorrectly charged for Stormwater Management due to the property's locality not being within an urban area or the ratepayer is able to adequately demonstrate management of their own stormwater through harvesting, private pipes or storage tanks.

7. APPENDIX

- Section 496A Making and levying of annual charges for stormwater management services (*extracted from the Local Government Act, 1993*)
- Section 125A Annual charges for stormwater management services (*extracted from the Local Government (General) Regulation, 2005*)
- Section 125AA Maximum annual charge for stormwater management services (*extracted from the Local Government (General) Regulation, 2005*)

496A Making and levying of annual charges for stormwater management services

- (1) A council may, in accordance with the regulations, make and levy an annual charge for the provision of stormwater management services for each parcel of rateable land for which the service is available.
- (2) Subsection (1) does not authorise or permit a council to make or levy an annual charge for the provision of stormwater management services for rateable land that is:
 - (a) owned by the Crown, and
 - (b) held under a lease for private purposes granted under the *Housing Act 2001* or the *Aboriginal Housing Act 1998*.

Note. Section 555 (1) (a) provides that land owned by the Crown is not rateable land unless it is held under a lease for a private purpose.

125A Annual charges for stormwater management services

- (1) For the purposes of section 496A of the Act, a council may make or levy an annual charge for stormwater management services only in respect of urban land that is categorised for rating purposes as residential or business.

Note. Part 3 of Chapter 15 of the Act allows a council to categorise each parcel of land within its area.

- (2) A council may not make or levy an annual charge for the provision of stormwater management services in respect of a parcel of land if:
 - (a) the parcel of land is vacant land, or
 - (b) the parcel of land is subject to a special rate or charge that has been made for or towards meeting the cost of any works, services, facilities or activities the primary purpose of which is the provision of stormwater management services.
- (3) A council may not make or levy an annual charge for the provision of stormwater management services if the council has received an instrument from the Minister under section 508 or 508A of the Act which specifies the percentage by which the council may vary its income and the instrument imposes a condition with respect to that variation to the effect that the primary purpose of the variation is to fund stormwater management services.
- (4) A council may not make or levy an annual charge for the provision of stormwater management services for a parcel of land that exceeds:
 - (a) if the anticipated cost of providing stormwater management services to the parcel of rateable land is less than the maximum annual charge in respect of the parcel of rateable land—the anticipated cost, or
 - (b) if the anticipated cost referred to in paragraph (a) is equal to or greater than the maximum annual charge in respect of the parcel of rateable land—the maximum annual charge for the parcel of rateable land.
- (5) In this clause:

maximum annual charge, in respect of a parcel of land, means the maximum annual charge that may be made or levied by a council in respect of the parcel of rateable land in accordance with clause 125AA.

urban land means land within a city, town or village.

125AA Maximum annual charge for stormwater management services (section 510A)

- (1) The maximum annual charge for stormwater management services that may be levied in respect of a parcel of rateable land is:
 - (a) for land categorised as residential (other than land referred to in paragraph (b))—\$25, and
 - (b) for a lot in a strata scheme that is categorised as residential—\$12.50, and
 - (c) for land categorised as business (other than land referred to in paragraph (d))—\$25, plus an additional \$25 for each 350 square metres or part of 350 square metres by which the area of the parcel of land exceeds 350 square metres, and
 - (d) for a lot in a strata scheme that is categorised as business—the greater of the following:
 - (i) \$5,
 - (ii) the relevant proportion of the maximum annual charge that would apply to the land subject to the strata scheme if it were a parcel of land subject to paragraph (c).
- (2) In this clause, the relevant proportion, in relation to a lot in a strata scheme, is the proportion that the unit entitlement of that lot in the scheme bears to the aggregate unit entitlement of the scheme.
- (3) Words and expressions used in this clause have the same meanings as they have in the *Strata Schemes Management Act 1996*.